OFFICIAL REPORT

OF THE

DEBATES

OF THE

HOUSE OF COMMONS

OF THE

DOMINION OF CANADA

SEVENTH SESSION—TWELFTH PARLIAMENT

7-8 GEORGE V, 1917

IN SIX VOLUMES

Vol. I—Pages . .	1-1124	Vol. IV—Pages . .	3187-4242
II " . .	1125-2138	V " . .	4243-5270
III " . .	2139-3186	VI " . .	5271-6094

VOLUME CXXVII

COMPRISING THE PERIOD FROM THE EIGHTEENTH DAY OF JANUARY TO THE TWENTIETH DAY OF SEPTEMBER, 1917, INCLUSIVE.

OTTAWA
J. DE LABROQUERIE TACHÉ
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1918

CANADA

House of Commons Debates

OFFICIAL REPORT

HOUSE OF COMMONS.

Monday, May 7, 1917.

The House met at Three o'clock, the Speaker in the Chair.

REPORT.

Canal statistics for the season of navigation, 1916.—Hon. J. D. Reid.

QUESTIONS.

(Questions answered orally are indicated by an asterisk.)

ENLISTMENTS FOR OVERSEAS.

Mr. PARDEE:

1. How many men have gone overseas to the United Kingdom and been returned to Canada without going to France?
2. What was the cost to the Dominion of Canada in connection with these men?
3. How many British Columbia men have gone to Eastern points and been returned to British Columbia without going overseas?
4. What was the cost to the Dominion of Canada in connection with these men?

Sir EDWARD KEMP:

1. There is no record in the department as to whether men who have gone overseas from Canada, and have been returned to Canada, have or have not gone to France.
2. Answered by No. 1.
3 and 4. Owing to the numerous transfers and discharges that are continually taking place, it is not possible to give a definite answer without searching the record of every man who has applied for enlistment, has been accepted, rejected on re-examination, and finally accepted, etc. If the hon. member will give individual names, immediate action will be taken to supply him with the desired information.

FRANCES HENRY CUNNINGHAM.

Mr. NESBITT:

1. What amount was paid Frances Henry Cunningham for military services since August, 1914?
2. What amount of money was paid said Frances Henry Cunningham for expenses in connection with his military services during same period?
3. Was any amount paid him for inspection and purchase of horses during same period?
4. Was any amount paid him as Inspector of Fisheries during same period?
5. Was any amount paid him on account of expenses as Inspector of Fisheries?

Mr. PATENAUDE:

1. $93.75—1st to 25th September, 1914.
2. Expense travel, 70c.; express charges, $7.79.
3. Yes; $808 pay and expenses.
4. Yes; regular salary has been paid and ordinary travelling expenses incurred on official duties have been refunded.
5. Answered by No. 4.

ECONOMIC AND DEVELOPMENT COMMISSION.

Mr. BUCHANAN:

1. Is the Economic and Development Commission still in existence?
2. For what purpose was this Commission appointed?
3. Has it made any report or reports to the Government?
4. If so, what is the nature of such report or reports?
5. Is any action being taken by the Government on these reports?

Sir GEORGE FOSTER:

1. Yes.
2. For the purposes as set out in Order in Council, P.C. 1517.
3. No report has been made, but the duties of the commission, being largely advisory, their views on certain subjects have been discussed informally with the Government for the purpose of advising or assisting the Government touching many subjects upon which it has been necessary to take action either by way of legislation or otherwise.
4. Answered by No. 3.
5. Answered by No. 3.

IMPORTATION OF RIFLES.

Mr. CURRIE:

1. How many rifles of military pattern except British were imported into Canada during each of the fiscal years since 1905?
2. Has the Government prohibited the importation of such rifles?
3. If so, when?
4. Has the Government considered the advisability of ordering holders of these arms to hand the same over to the authorities during the duration of the war?

Mr. PATENAUDE:

1. As far as can be ascertained from the records in the Militia Department, no rifles

of military pattern, except British, have been imported into Canada since 1905, with the exception of a few samples.

2. Yes, from foreign countries.

3. Notice was given 20th January, 1909, requiring license for the importation of military rifles except from the United Kingdom of Great Britain and Ireland.

4. No.

PURCHASE OF SURPLUS WHEAT.

Mr. TURRIFF:

1. When the Government discussed with the British Government the question of securing the surplus wheat of Canada for the Empire, did they inform them of their intention to place wheat on the free list in order to open the United States markets to Canadian wheat?

2. When Sir George Foster asked the Canadian Western farmers to agree to accept $1.30 per bushel for their wheat based on number one northern grade at Fort William, did he know that the Government was going to place wheat on the free list?

Sir GEORGE FOSTER: The Imperial Wheat Commission discussed with the Minister of Trade and Commerce the desire of the British Government to secure the surplus wheat production of Canada. The proposal to purchase at $1.30 per bushel was made, not by the Minister of Trade and Commerce, but by the Imperial Wheat Commission and was communicated to representatives of the Canadian Council of Agriculture by the Minister of Trade and Commerce. The subject of duties on wheat products between the United States and Canada was not at that time made a subject of discussion.

FRASER RIVER CHANNEL IMPROVEMENTS.

Mr. KYTE:

1. How much money was voted in 1912 for improvements in the Fraser river channel, British Columbia?

2. Was any portion of this amount spent in 1912-13 on the Fraser river? If so, how much?

3. Was any contract awarded to a company for performing this work?

4. What quantities of material were removed, and what prices were paid?

5. Were any tenders called for performance of the work?

6. If so, who were the tenderers, and what was the amount of each tender?

Mr. REID:

1. $258,000, as follows: (a)Training pier (Steveston), $200,000; (b) improvements at Nicomen Slough, $5,000; (c) Lower river improvements, $40,000; (d) Fraser & Thompson river wharfs (allotment), $13,000.

2. Yes. (a) Training pier (Steveston), $76,197.03; (b) improvements at Nicomen Slough, $4,293.11; (c) maintenance of snag boats, repairs to wharfs, driving piles, etc., $32,978.11; (d) Fraser river wharfs: Gordon Road $1,530.75, Green's Landing $2,385.70, Ladner's Landing $2,503.42, McIvor's Landing $1,863.45, Murphy's Landing $2,264; $11,652.15; generally, $1,304.83. Total, $125,120.40.

3. A contract was awarded to the Sinclair Construction Company for the construction of a training pier at Steveston.

4, 5 and 6. No dredging by contract was done on the Fraser river during the fiscal year 1912-13. $78,228.62 was expended from the general vote for dredging, British Columbia, for the operation of departmental dredges on the Fraser river in the year mentioned.

Mr. KYTE:

1. Was any work done in cleaning the river channel at Helsgate in the Fraser river canyon during the past five years, of rock blasted into the channel by the Canadian Northern Railway construction?

2. If so, who performed this work?

3. Were tenders called for the contract?

4. If so, who were the tenderers, and what were the prices?

5. Were there any tenders called for the jetty at the mouth of the Fraser river?

6. By whom was this work performed?

7. How much money was paid for the performance of this work?

Mr. PATENAUDE:

1. Yes.

2. The Pacific Dredging Company.

3. No.

4. Answered by No. 3.

5. Tenders were called to build the first section of the jetty at the mouth of the Fraser river and contract was awarded to the Sinclair Construction Co.; they gave up the contract and new tenders were called and contract for completion was awarded to Messrs. Broley & Martin. The second section was advertised for tenders and contract awarded to Messrs. Marsh, Hutton & Powers. This contract was subsequently extended by Order in Council dated 15th August, 1916, for an additional 1,800 feet.

6. Answered by No. 5.

7. $719,815.04 to 31st March, 1917.

PACIFIC DREDGING COMPANY.

Mr. KYTE:

1. Is the Pacific Dredging Company, who have received $796,090.57 for dredging in False Creek, Vancouver, B.C., a Canadian company?

2. If so, where was it incorporated?

3. If not, where was it incorporated, and when?

Mr. REID: The Secretary of State Department supplies the following information: "Pacific Dredging Company, Limited, on record in British Columbia, incorpor-

ated 24th February, 1912, gazetted 29th February, page 1752. Capital stock, $50,000. Head office, Vancouver, B.C."

CANADIAN DELEGATION TO WASHINGTON CONFERENCE.

Mr. LEMIEUX:

What are the names of the ministers composing the Canadian delegation to the Washington Conference?

Sir GEORGE FOSTER: The ministers composing the Canadian delegation to the Washington conference were Sir Thomas White and myself.

EMPLOYMENT OF RETURNED SOLDIERS.

*Mr. LEMIEUX:

How many returned soldiers have been given employment in the various departments of the Government?

Sir EDWARD KEMP: I think that this question was passed as an Order for return last week. If I am correct, I would ask that the question be dropped.

Mr. SPEAKER: The question will go as an Order for a return.

PALMERSTON POST OFFICE BUILDING.

Mr. TURRIFF:

1. Is any amount being expended as extras on the new post office building being erected in Palmerston, Ont.?
2. If so, what is the amount?
3. Has it been decided to make the tower ten feet higher than the original specification?

Mr. REID:

1. Yes.
2. $4,850.
3. Yes.

JUDGE SPOTTEN.

Mr. TURRIFF:

1. Is Judge Spotten, of Harriston, Ont., still actively connected with manufacturing interests?
2. Is the Government aware, as alleged, he still takes an active part in Conservative affairs in Wellington county?

Mr. DOHERTY:

1. Not to the knowledge of this department.
2. No.

LT.-COL. C. D. SPITTAL.

*Mr. DEVLIN:

1. Is Lieutenant-Colonel C. D. Spittal in the employ of the Government?
2. If not, was he in the employ of the Government?
3. Did he resign or was he dismissed from office?
4. Is the said C. D. Spittal under the control of the Canadian authorities or of the Imperial authorities?
5. Why was the said C. D. Spittal recalled from England?
6. Is it the intention of the Government to employ the said C. D. Spittal in any military capacity?

Mr. PATENAUDE:

1. No.
2. Yes, until January 19, 1917.
3. Militia and Defence—He was struck off the strength of the Canadian Expeditionary Force as no further employment existed for him in Canada or overseas, and his services were, therefore, not required.

Customs—His services were dispensed with for failing to resume his customs duties at the port of Ottawa.

4. Lt.-Colonel Spittal is under the control of the Canadian authorities.
5. Lt.-Colonel Spittal was found guilty by a general court martial held in England on December 9, 1915, on a charge of having disobeyed a lawful command given by his superior officer, and sentenced to be reprimanded. As a result of this, he was returned to Canada on March 25, 1916.
6. No.

DEFALCATION OF BURGESS.

Mr. DEVLIN:

1. Is there an agent named Burgess in the employ of the Government at Fort William, in connection with the grain elevator work?
2. If not, was there such a man in the Government's employ in any capacity?
3. If Burgess was in the employ of the Government, did he make returns for all moneys received by him to be paid over to the Government?
4. Is it a fact, as alleged, that the said Burgess has at the present moment, a sum of $125,000 or thereabouts of Government money in his possession, which the Government has been unable to obtain from him?
5. If so, what steps have the Government taken to bring the said Burgess to justice?

Sir GEORGE FOSTER:

1. No.
2. Yes.
3. No.
4. Burgess forged the endorsement on cheques payable to the Dominion Government elevator and obtained the cash therefor from certain banks.
5. Every effort has been made to apprehend Burgess without success thus far. Legal actions have been instituted against the banks for the recovery of the money.

AVIATION CAMP.

*Mr. CARVELL:

1. Is it the intention of the Government to establish an Aviation Camp at Isle of Orleans, near Quebec?
2. Has any land been offered to the Government for such purpose?
3. If so, by whom?

Mr. KEMP:

1. No.

2. No.

3. Answered by No. 2.

ST. MALO TRANSCONTINENTAL SHOPS.

*Mr. LEMIEUX:

1. Is it the intention of the Government to start a munition plant at the Transcontinental Shops at St. Malo, near Quebec?

2. Has any request been made to that effect by the municipal authorities of Quebec?

Mr. KEMP:

1. Not so far as the Militia Department is concerned.

2. Answered by No. 1.

CAMPBELLTON-GASPE STEAMSHIP SERVICE.

Mr. MARCIL:

1. Has a contract been entered into by the Department of Trade and Commerce for a steamship service between Campbellton, N.B., and Gaspe, Quebec?

2. If so, what is the nature of said contract?

3. What service was given on this route last year, by whom was it given, and what did it cost?

Sir GEORGE FOSTER:

1. Yes.

2. The contract calls for a service every two weeks between Quebec and Gaspé Basin, calling at way ports.

3. Last year on this route the service was every week, calling at way ports. The service was performed by the Gaspé and Baie des Chaleurs Steamship Co., Ltd., of Quebec. The subsidy was $8,500 per annum.

MIGUASHA WHARF.

Mr. MARCIL:

1. Have any repairs been made to the wharf at Miguasha, Quebec, within the last three years?

2. If so, what was the nature of the work, what did it cost, and was it done by contract or by day work?

3. (a) Who supplied the material used, (b) what price was paid, and (c) was it purchased by tender?

Mr. REID:

1. Yes.

2. In 1914-15, repairs amounting to $599.24 were executed by day labour.

3. (a) Chaleur Bay Mills Co.; (b) 10,177 feet of lumber at $18.50 and 4,556 feet at $19 a thousand, $274.86; (c) No.

BONAVENTURE COUNTY MAIL SERVICE.

Mr. MARCIL:

1. Who has the contract for carrying of the mails at Carleton, Carleton Centre, Pointe Bourque and Carleton West, Quebec?

2. What is the figure of each contract, and when was it awarded?

3. Were tenders called for this work?

4. If so, who are the tenderers, and what was the figure of each tender?

[Mr. Carvell.]

Mr. PATENAUDE:

1 and 2. The mails for Carleton, Carleton Centre and Point Bourque are carried under one arrangement by Heliodore Landry at a cost of $317.50 per annum, under a temporary agreement dating from the 12th May, 1914. The mails for Carleton West are carried by Edmond Allard at a cost of $75 per annum under a contract dating from the 1st July, 1916.

3 and 4. Tenders were not invited as the offers received on the establishment of the service were considered reasonable.

CARLETON BEACH PROTECTION.

Mr. MARCIL:

1. How much has been expended on the beach protection work at Carleton, Quebec, since 1912?

2. Is the work complete?

3. If not, will it be completed this year?

Mr. REID:

1. $1,203.74.

2 and 3. Yes, work is completed.

PASPEBIAC-HOPETOWN MAIL SERVICE.

Mr. MARCIL:

1. Who is the contractor for the mail service between Paspebiac and Hopetown, Quebec?

2. Were tenders called for when the contract was awarded?

3. If so, what were the names of the tenderers and the figures submitted by them?

4. Has any request been received lately for a better service?

5. If so, what answer was given said request?

Mr. PATENAUDE:

1. Auguste Loisel is contractor for the mail service between Hopetown and Paspebiac Railway Station, via Paspebiac Post Office.

2. Yes.

3. Auguste Loisel, Paspebiac, $260; Gilbert McWhirter, Hopetown, $275; Julien De Cain, Paspebiac, $295; Madame A. Levesque, Paspebiac, $300; Howard Ross, Hopetown, $325; A. B. McGee, Hopetown, $355; J. Edmund Levesque, Paspebiac, $375; David Belisie, Hopetown, $400; John F. Scott, Paspebiac, $400.

4. No.

5. Answered by No. 4.

SEED GRAIN AND RELIEF WORK.

Mr. McCRANEY:

1. What amount of money was paid to Mr. Wm. Badger of Outlook, Saskatchewan, for relief work and seed grain in the years 1914 and 1915?

2. What amount of money was paid to Mr. F. H. Forgie of Elrose, Saskatchewan, for relief work and seed grain in the years 1914 and 1915?

Mr. ROCHE:

1. Wm. Badger, $215.30.
2. F. H. Forgie, $112.

KITSILANO INDIAN RESERVE.

Mr. MACDONALD:

1. What were the total amounts paid for legal expenses to each of the counsel employed on the arbitration in connection with the Kitsilano Indian Reserve, Vancouver, B.C.?
2. What are the names of the persons to whom said payments were made?

Mr. ROCHE:

1. The total amount paid for legal expenses to counsel employed on the arbitration in connection with the Kitsilano Indian Reserve, Vancouver, B.C., was $3,406.50.

2. The name of the person to whom the said payment was made is Stuart Livingston, of Vancouver.

MR. GRAHAM BELL.

Mr. PACAUD:

1. Has Mr. Graham Bell of the Railway Department drawn his departmental salary while at the same time receiving his pay as a member of the Canadian army?
2. Does Mr. Graham Bell draw pay from any other department of the Government?

Mr. REID:

1. Mr. Graham Bell, while performing duties in connection with Canadian Expeditionary Force, also devoted part of his time to work of the Railway Department. Later the Minister of Railways recalled him to his full duties in the Railway Department. He only received his civil pay—part paid by Railway Department and part paid by Militia Department.

2. No.

LEVIS RAILWAY STATION.

Mr. BOURASSA:

1. Does the Government propose to build a railway station in the City of Lévis?
2. If so, at what point does it propose to build this station, and when?
3. If not, does it propose to repair the present station at Lévis and put it in a good and proper condition for travellers and those awaiting the trains?

Mr. REID:

1. Yes.

2. At most suitable place when war conditions will justify proceeding with this work.

3. Yes, repairs now in progress.

ST. ROMUALD PUBLIC WORKS.

Mr. BOURASSA:

1. Does the Government propose to build a post office on the land which has been bought for that purpose in St. Romuald?
2. If so, when?

Mr. REID:

1 and 2. Not under present conditions.

BROMPTONVILLE POSTMASTER.

Mr. TOBIN:

1. Who is the postmaster at Bromptonville, Richmond County, Quebec?
2. Have any complaints been received concerning his administration?
3. If so, who are the complainants, and what is the nature of the complaints?
4. Have said complaints been investigated?
5. If so, what was the result?
6. Has any petition been received asking for the dismissal of the present postmaster?
7. If so, who forwarded the said petition?
8. Was any recommendation made concerning his successor?
9. If so, by whom, and who was recommended for the position?
10. Will such recommendation be acted upon by the Government?

Mr. PATENAUDE:

1. Mr. Matthew McDonell.

2. No.

3, 4, and 5. See answer to No. 2.

6. No.

7. Answered by No. 6.

8. Suggestions as to a successor were made in one or two instances but were only made on condition that the department contemplated a change. in the postmastership.

9. In view of the fact that no petition was received for the dismissal of the postmaster and as no definite action has been taken the department does not consider it in the public interest to mention names of persons recommended or of those who made the provisional recommendation.

10. The question of the change in the postmastership has not been considered by the department.

WAR SUPPLIES—HORSES.

Mr. TOBIN:

1. Is the Government aware that a buyer named S. L. Clough, purchased about thirty horses at Richmond, Quebec, on July 4, 1916, for delivery, subject to inspection, on July 12, 1916?
2. If so, was he authorized by the Government to purchase said horses?
3. Is the Government aware that the said horses were not inspected and taken over on the said 12th July, 1916, nor at any later date?
4. If so, is it the intention of the Government to reimburse the farmers, from whom the said horses were purchased, for the time lost and expenses incurred in bringing the said horses to Richmond on the above mentioned dates?

Sir EDWARD KEMP:

1. No.

2, 3 and 4 answered by No. 1.

EXPORTATION OF WOOL.

Mr. TOBIN:

Is it the intention of the Government to place an embargo on the exportation of wool from Canada?

Mr. REID: Canadian wool is permitted to be exported from Canada to foreign destinations only under license issued from time to time and the issue of licenses may be suspended at any time when conditions so require.

MR. PERKINS BULL.

Mr. MACDONALD:

1. Is Mr. Perkins Bull, who is running a convalescent home in England, the same Mr. Perkins Bull, lawyer and real estate dealer in Toronto?

2. Where is this home or hospital situated?

3. How many patients have been treated there?

4. What is paid him per day for each patient?

5. How much has been paid him to date?

6. Are the patients in the said hospital treated by Volunteer Aid detachment members or by regular nurses?

Mr. KEMP:

1. Mr. Perkins Bull now lives in London. It is understood that he formerly lived in Toronto.

2. Putney.

3, 4, 5 and 6. This information is being obtained from Overseas. As soon as it is received, it will be laid on the table of the House.

JUDGE L. R. ROY.

Mr. BOULAY:

What sums have been paid each year to Judge L. R. Roy of the Supreme Court of Quebec, for travelling expenses, since the date of his appointment to the 31st of March, 1917?

Mr. DOHERTY: The Honourable Mr. Justice Roy was appointed to the Superior Court of Quebec on 17th November, 1909, since which date he has been paid the following sums for travelling allowance: In 1909-10, $42; 1910-11, $535; 1911-12, $196.40; 1912-13, $429.30; 1913-14, $1,145.05; 1914-15, $1,318.70; 1915-16, $1,576.30; 1916-17, $656.75.

GOVERNMENT LAND IN OTTAWA.

Mr. MURPHY:

1. Did the Government obtain free of cost from the Corporation of the City of Ottawa, all the street ends within the area north of Wellington St. and west of Bank St.?

2. Does the Government pay any taxes upon its property within the said area?

3. Is it the intention of the Government to re-pave Wellington St., or any part thereof, in front of its property in Ottawa?

4. If so, (a) how much re-paving will be done, and (b) when will the work be commenced?

Mr. REID:

1. Yes.

[Sir Edward Kemp.]

2. Only on property for which a revenue is derived.

3. Under consideration and will be decided when the supplementary estimates are laid on the Table.

4. (a) Resurfacing portions of the street which are defective; (b) after Parliament has made the necessary grant.

UNOPPOSED MOTIONS FOR PAPERS.

Mr. J. J. HUGHES:

For a copy of the replies which the Government or the Department of Public Works sent to the Resident Engineer or other parties in answer to letters, telegrams, or reports in connection with the breakwater at Souris, P.E.I. during the years 1915 and 1916?

Mr. LEVI THOMSON:

For a return showing the different rural mail routes established in the Constituency of Qu'Appelle since the 1st day of January, 1916, showing their location and date of establishment. Also, a list of all rural mail routes now being established or under consideration at the present time in the same constituency.

Mr. MACDONALD:

For a return showing the amount paid or spent by the Department of Militia in advertising for recruits in Canada, showing the persons, firms and corporations to whom the payments were made, up to April 1, 1917.

Hon. CHAS. MARCIL:

For a copy of all documents, correspondence, reports, accounts, pay-lists, etc., in connection with the work done on the Government wharves at Cross Point, Miguasha, St. Omar and New Carlisle, Quebec, since 1912.

Mr. LANCTOT:

For a copy of all accounts, letters, claims, correspondence and other documents relating to the following amounts mentioned in the Report of the Auditor General, 1916, Vol. II, page L—11:—

Mr. Justice L. P. Pelletier, travelling expenses, $877; Mr. Justice J. N. Belleau, travelling expenses, $1,984.44; Mr. Justice T. H. Chauvin, travelling expenses, $1,421.25; Mr. Justice B. LeTellier, travelling expenses, $1,923.80.

VESSELS IN GOVERNMENT SERVICE.

On the motion:

Mr. A. K. MACLEAN:

For a return showing the names, owners, tonnage, and rate of charter of all ships or steamers in the service of the Government of Canada in the Province of Nova Scotia, used for war purposes.

Mr. REID: I would ask the hon. member to drop this motion for the reason that the Deputy Minister of the Naval Service advises me that under present conditions it is not considered advisable to bring down the information asked for in the proposed motion for a return giving a list of vessels in the service of the Government under the terms of the Canadian Naval Act. That is the only objection.

Mr. A. K. MACLEAN: The only ships or steamers in the service of the Government concerning which I desire information are small tug boats.

Mr. REID: There are a great many in the list and the Naval Department has informed me that it is not advisable to bring down the information.

Mr. A. K. MACLEAN: I presume I can get the information privately.

M. REID: There is no objection to giving it to you privately.

Motion dropped.

THE SENATE.

PROPOSED CHANGE IN ITS CONSTITUTION.

Mr. W. M. GERMAN (Welland) moved:

That an humble Address be presented to His Most Excellent Majesty the King, in the following words:—

To the King's Most Excellent Majesty:
Most Gracious Sovereign:

We, Your Majesty's most dutiful and loyal subjects, the Commons of Canada, in Parliament assembled, humbly approach Your Majesty praying that you may graciously be pleased to give your consent to submit a measure to the Parliament of the United Kingdom, to amend the British North America Act, 1867, in the manner following, or to the following effect:

"An Act to amend the British North America Act, 1867."

Be it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follow:—

Sections 21 to 36 inclusive of the British North America Act, 1867, and of the British North America Act, 1915, are hereby repealed and the following enacted in lieu thereof:

1. The Senate shall subject to the provisions of this Act consist of ninety-six members who shall be styled "Senators."

2. Each of the Provinces of Canada shall be represented in the Senate by the following number of Senators:

Quebec by twenty-four,
Ontario by twenty-four,
New Brunswick by ten,
Nova Scotia by ten,
Prince Edward Island by four,
Manitoba by six,
Saskatchewan by six,
Alberta by six; and
British Columbia and the Yukon Territory by six.

3. For the purposes of such representation, each of the provinces of Canada shall be forthwith, after the passing of this Act, divided into as many Senatorial Districts as there are Senators for such provinces and so divided as that all the Districts shall have as far as practicable an equal number of population, and for the purposes of this Act British Columbia and the Yukon Territory shall be taken as one province.

4. Immediately after such division of the Provinces, the Senators who have at that time been appointed, shall be allotted to and among the various districts so that each District shall be represented by one Senator, and all of such Senators shall hold their positions as though this Act had not been passed.

5. From and after the division of the Provinces into Senatorial Districts, and the allotment of Senatorial representation thereto, as a vacancy occurs in the representation of any District the vacancy shall be filled by election, and all Senators shall thereafter be elected by the qualified electors of each Senatorial District in the same manner as members of the House of Commons are elected.

6. Each Senator shall be elected for a period of seven years and their seats shall not become vacant by a dissolution of Parliament.

7. A speaker of the Senate shall be elected by the Senators from among themselves in such manner as they may determine and shall hold office for a term not exceeding seven years.

8. The presence of at least fifteen Senators including the Speaker shall be necessary to constitute a meeting of the Senate for the exercise of its powers.

9. Questions arising in the Senate shall be decided by a majority of voices and the Speaker shall in all cases have a vote and when the voices are equal the decision shall be deemed to be in the negative.

10. Section 3 of Chapter 12 of the Revised Statutes of Canada is amended by striking out the words "or another speaker is appointed by the Governor General" in the last two lines and inserting in lieu thereof "or another speaker is elected."

11. Section 128 of the British North America Act, 1867, is amended by striking out the words "and every member of the Senate of Canada" in the eighth and ninth lines thereof and, the Declaration of Qualification in the fifth Schedule to said Act, is amended by striking out the words "Senate of Canada" in the second line thereof, and inserting the words "Legislative Council of Quebec."

12. Section 147 of the British North America Act, 1867, is repealed and the following enacted in lieu thereof:—

"In the case of the admission of Newfoundland the number of Senators shall be one hundred of which Newfoundland shall have four to be elected as provided by this Act."

13. All the provisions of The Dominion Elections Act, The Dominion Controverted Elections Act, The Corrupt Practices Inquiries Act, The Senate and House of Commons Act, and The House of Commons Act, wherein not inconsistent with the provisions of this Act, shall apply to the Senators, their election, qualification and disqualification in the same manner and with the same effect as to members of the House of Commons.

14. If at any time the Senate rejects a Bill passed by the House of Commons or so amends the same as to make it objectionable to the House of Commons and the matters in difference cannot be on a conference adjusted so as to make the same acceptable to the two branches of Parliament, the Government may advise a dissolution of Parliament and if such dissolution takes place with an election thereon and the Bill in the same terms immediately such election again is passed by the House of Commons, it shall become law on the approval of the Governor General and without being again submitted to the Senate.

15. This Act may be cited as the British North America Act, 1917, and the British North Ame-

rica Acts 1867 to 1915, and this Act may be cited together as the British North America Acts 1867 to 1917.

He said: Mr. Speaker, I rise, for many reasons with a great degree of diffidence, in an endeavour to explain to the House some reasons why this resolution should be adopted. One reason for my diffidence is that there may be a fair ground for many hon. gentlemen to doubt the sincerity of one who moves a resolution to change the system of constituting the Senate of Canada. I have noticed that on practically every occasion since Confederation when any one dissented from the present system of constituting the Senate as constituted, it was always some person or some party that was in Opposition. I cannot recall any instance of a government or any member supporting a government moving a resolution to alter the system of constituting the Senate.

Mr. A. K. MACLEAN: MacIntyre, in 1907.

Mr. GERMAN: I had forgotten him for the moment. He certainly was a supporter of the Government at that time, but evidently his resolution did not receive much support or was not pressed energetically, because it came to nothing. Notwithstanding the fact that one of the planks of the Liberal platform in 1893 was the reform of the Senate, during the whole fifteen years the Liberal party were in power, there was no reform of the Senate other than through the efforts of Divine Providence. No action along that line was taken by the Government or by any member supporting the Government, with the exception of Mr. MacIntyre. Consequently, rising now as I do on the Opposition side of the House, after having for fifteen years supported a Government and a party that was in a measure pledged to reform the Senate, but which had said nothing about it when they were in power, some one may say: I doubt his sincerity in moving this resolution. But, Mr. Speaker, whatever may have been done or left undone in the past, whether the Liberal party or the Conservative party should have changed the system of constituting the Senate, one thing is certain, and that is, that there has been no change, and further, if such a change is necessary, that change should be made now notwithstanding any dereliction in either side in the past. I think myself that a change should be made; not a reform of the Senate—the resolution I am moving does not propose to reform the Senate as at present constituted—but a reform of the system of constituting the Senate in the future.

At the time of Confederation it was decided that the members of the Senate should be appointed by the Government. Outside of that, a democratic form of government was established, but in that one respect there was engrafted on the democratic tree a sprig of aristocracy which was doomed from the beginning, in my opinion, to be barren of any useful fruit, as has been proved. I have no fault to find with the senators. To my mind, Hon. George Brown was the Father of Confederation more than any other man living in Canada at that time. Great credit has been given to Sir John A. Macdonald for establishing the Confederation of the British North American colonies, and great credit is undoubtedly due him, but to my mind the man to whom more than any other credit is due is George Brown, for without him Confederation could not and would not have been established. He was the man who moved for the appointment of the committee of members of the legislature of Canada who composed the Quebec conference. He was the man who from first to last began the agitation and carried it through to a successful conclusion, and as a humble follower of that great Canadian I have pleasure in giving to him what I believe to be the meed of praise to which he is entitled, namely, of being above all others the Father of the confederation of the British North American colonies which form at the present time the great Dominion of Canada. Speaking of the Upper Chamber, George Brown said:

> The desire was to render the Upper House a thoroughly independent body, one that could be in the best position to canvass dispassionately the measures of this House, and stand up for the public interest in opposition to hasty or partisan legislation.

The object was to have an independent body of judicially-minded men who would be free of all political influences. I am free to say that from Confederation down to the present hour the gentlemen who have been appointed to the Senate have been of the highest class of Canadians. In legislative ability, in business acumen, and in every other quality that goes to make up an excellent citizen, the senators not only compare favourably with the members of this Chamber, but, in some cases, in ability and financial position, they are our superiors, and would, if they were members of this Chamber, be an ornament to the Do-

minion. Then why, as a body, has not the Senate the confidence of the people of Canada? I challenge any hon. member of this House to assert that the Senate has the confidence of the people of this country as a legislative body to-day, although individually they have. Now, why is this? The answer is easily found. The senators represent a party, and not the people. They owe allegiance, or think they do, to the Government and party that appoints them, and not allegiance and responsibility to the people who should elect them. Look at our history since Confederation, and see what the Senate has done in notable instances, and the influence its acts have had on the public mind. The first notable instance of the Senate running counter to the action of the House of Commons, so far as I recollect, was when the Government led by the Right Hon. Sir Wilfrid Laurier passed the Yukon Railway Act, for the building of a railway into the Yukon district.

At that time the Senate of Canada was strongly Conservative. They threw out that Bill. Was there a man belonging to the Liberal Party throughout the length and breadth of Canada who believed, or at any rate expressed himself as believing, that the Senate threw out that Bill on public grounds? On the contrary, every one of them believed that it was because the Bill was introduced and carried by a Liberal Government and that the Conservative party did not want the Liberal Government to have the credit of passing a Bill of that kind. That is, every Liberal believed that the Senate acted as it did solely and wholly for partisan reasons. I am not saying that the Senate was governed in this matter by partisan considerations, but that all Liberals, and also many Conservatives, believed that it was so governed. It was stated by many, even before the Bill reached the Senate, that it would be defeated in that House.

Coming down to a later date, we find that this Government, I think it was in 1912, passed a Bill through this House called the Naval Aid Bill. That was a measure dear to the hearts of the members of the Government. No doubt they thought it in the interests of the people and believed that it would receive public support if the people had an opportunity to vote upon it. I have no doubt of their sincerity in presenting this Bill to the House and urging its adoption. Had the Senate been Conservative, the Bill would have gone through that House; but the Senate was Liberal, and the Bill was rejected, or at least it was so amended as to be absolutely unacceptable to the Government. I am not saying, and no man can fairly say, that the Bill was defeated in the Senate for any other reason than the patriotic regard for the public interest that should inspire the members of the Senate in their public conduct. But, did the people generally believe that? No. The people generally believed, and said, that that Bill was rejected by the Senate for partisan purposes. That is what the Conservatives said, and that is what many Liberals said. Whether that is true or not it is not necessary to the consideration of the point I am now discussing to take into account.

Another Bill passed by the present Government in the same session, was a Bill in aid of the construction of good roads. I voted against that Bill, or at least against the sixth and last clause of it, and I did so because I thought it should not become law. I voted against the Naval Aid Bill for the same reason, and voted conscientiously as I thought to be my duty as a public man and representative of the people. I have no doubt that the people had the same view of the matter as I had. But you cannot convince the people that when the Senate defeated that Bill it did so on public grounds. They simply say that, when the Senate is Liberal, it will support Liberal legislation and reject Conservative legislation, and when the Senate is Conservative it will support Conservative legislation and reject Liberal legislation. Now, I ask you in all sincerity and in all candor, is that a condition of affairs which makes for the best government of Canada? It is not a question whether or not the Senate on these different occasions has been right or whether it has been wrong, the question is as to the feeling of confidence that the people ought to have in our system of government. I say that the people of Canada have not to-day, and have not had for many years, confidence in the Senate as a body to regulate our legislation. If that be so then, I submit, it is time we had a change in the system of selecting Senators, so that the Senate might be more in harmony with public sentiment.

We have precedents regarding the selecting of members of an Upper House. When Upper and Lower Canada were united in 1841, two Chambers were provided, a Legislative Assembly and a Legislative Council. This was shortly after the Mackenzie Rebellion in Upper Canada and the Papineau

Rebellion in Lower Canada, rebellions arising out of the afflictions of the people under what was known as the Family Compact, ruling through Downing Street. The Legislative Council was to be composed of not less than twenty members, to be appointed by the Crown. That lasted until 1854—for thirteen years. By that time the agitation for a change had grown so strong that it was found necessary to have a Legislative Council elective instead of appointive. The Bill to bring this change into effect was carried through the Legislature by a Government led by one of the bluest of all the blue-blooded Tories whom Canada has ever known, Sir Allan McNab, who was supported by John A. Macdonald, then Attorney General for Canada West, and by George E. Cartier, then Attorney General for Canada East. That Conservative Government—and I think the last really Conservative Government that ever existed in Canada, because after that they called themselves Liberal-Conservatives,—passed this law providing for the election of a Legislative Council for the united Canadas to be composed of forty-eight men, twenty-four from Lower Canada and twenty-four from Upper Canada, to be elected in districts formed by the Government in power. We have that precedent to guide us in any arrangement we may make in the future. It may be asked: Why, after having an elective upper chamber from 1856 to 1867, was a change made in 1867? In 1856 George Brown, representing the county of Lambton, in the Legislature of Canada, was in favour of an appointed legislative council, and expressed himself so very strongly. John A. Macdonald was in favour of an elective legislative council, and that was the system which was adopted. But when Confederation came about a change had come over the feeling of the people, apparently. Confederation was brought about mainly by reason of the determination on the part of the people of Upper Canada to have representation by population. That was a scheme most dear to the heart of George Brown. He felt that Upper Canada at that time, having a large population over and above Lower Canada, and Upper Canada being very much wealthier than Lower Canada, it was not fair to the people of Upper Canada that they should be represented in the legislative council by only the same number of representatives as Lower Canada. Consequently, he made an effort to secure representation by population. That was the basis of the Confederation scheme. Mr. Brown, at that time, in speaking of an elective upper chamber, said:

> Our Lower Canada friends have agreed to give us representation by population in the Lower House on the express condition that they shall have equality in the Upper House. On no other condition could we have advanced a step and for my part I am quite willing that they should have it.

That appeared to be the crux of the whole situation at that time. Mr. Brown and his followers were endeavouring to get representation by population in the Lower House, the elective chamber. In the Upper House the statesmen of Lower Canada thought that they should have an equal voice with Upper Canada, and that in order to have that equal voice the senators, as they were to be called thereafter, should be appointed and not elected. Consequently, it was decided at that time to appoint the senators, and we have appointed them since then. I feel confident the whole sentiment of the country is behind the proposition that the Senate as constituted at that time has not worked out to the advantage of the country or as the founders of Confederation expected it would. In every other respect the Confederation of the British North American colonies has been a magnificent success. From the four small colonies which were federated at that time there has grown up a Dominion which extends from the Atlantic to the Pacific ocean. Population is increasing, wealth is increasing, the differences in language and in religion are being adjusted amicably and to-day we find this great Dominion of Canada, sprung from the Confederation which was brought about by these men, standing behind the British Empire in the greatest war the world has ever seen. We have seen our Canadian boys going from here and fighting the battles of the Empire and I am proud to say that the record of the Canadians in carrying Vimy compares well with the record of the glorious deeds on the historic battlefields of the world. We have a great and glorious country. It was only a few years ago that Canadians, going abroad, and being asked where they were from generally stated that they were from America. Canada was not known, but from now on it will be the pride and glory of every one going abroad from Canada to be known as a Canadian and as a fellow-citizen of men who have carried Britain's flag to victory on these hard fought battlefields.

Now, as I say, we have a precedent for an elective Senate. We have the Liberals, in 1893, deciding in favour, not of an elec-

tive Senate, but of the reform of the Senate. When they came into power the Senate was reformed and reformed speedily, but not by any act of the Government other than the appointment of new senators to fill the vacancies which had been created by Divine Providence. I submit, Mr. Speaker, that the time has come when we should actually make a change in the system of selecting senators. Government under a democracy requires that the people should govern. The people can only govern through their representatives elected by them to the legislative halls of the country. It was stated at Confederation that the legislative councils were really elected, that they represented the people, and why?—because they were appointed by the Government and the Government was responsible to the people. But that is beating about the bush to my mind in regard to so serious a matter. We have the precedent, in so far as the Conservative party is concerned, of an elective chamber by the Act passed in 1856 by the Tory Government of that time. We have the Liberal party of 1893 declaring in favour of a change in the Senate. If it was not so expressed in words, at any rate what it meant was that there should be a change in the system of constituting the Senate. So, if we are to follow the leaders of the past, this House must do exactly what I am suggesting should be done.

I am not so sure, Mr. Speaker, that it might not be a measure of retributive justice on the Liberal party if this change were made at the present time. They could have made the change when they were in power and had the advantage of their control of the situation to arrange the constituencies to suit themselves, as, it is said, has been done sometimes. Now, if it is done under the ægis of the Conservative Government, with a Conservative Senate in control, the Conservative party will have a very great advantage, because, when this resolution was enacted into law and came into force, the Conservatives would be in a very large majority in the Upper Chamber; they would have the right to arrange the constituencies in accordance with the provisions of the Act, and they would, therefore, have a very considerable advantage.

I should be quite willing that they should have that advantage if they would only accept this proposition and place it on the statute book as the law of the country. As I have said, we have a precedent for an elective Upper Chamber. We see why it was that an elective Upper Chamber was not established at the time of Confederation. It was not established then because it was impossible to do so. If it had been insisted on at that time Confederation could not have been consummated. We had to take what we could get, and we could not have got that without accepting all that it involved. We have the record of the Liberal party in favour of an elective Upper Chamber and consequently it seems to me that it ought to be easy sailing for this House to pass a resolution such as I have suggested. I do not pretend to say that this resolution is in all its details exactly what it should be, that there should not be amendments; but, in the main I submit that it embodies the principles that should be carried out. To my mind there are three distinct principles which should actuate this House in the establishment of an elective second Chamber: One is that the second Chamber should be elected by the people, and should represent the people. The second is, that its members should be, as far as possible, independent of politics and political feeling and political organization. And the third is that the senators should have an appointment for a term of office long enough to make the Senate a permanent organization, and not one to be affected by a dissolution of Parliament. There should be an election; there should be independence; there should be permanence. I never thought it was the part of wisdom or of good judgment to suggest that something which had been in existence should be torn down and destroyed without having the courage to suggest an alternative proposition. I could have confined my resolution to a suggestion that the change should be made in the constitution and the mode of appointment, and left it at that. But I felt that if I wanted to convince this House of my sincerity in this matter and to convince them that action should be taken, I should at least be in a position to suggest some sort of alternative proposition, and I have taken the liberty to suggest an alternative proposition. I submit that that proposition embodies the three principles which I have suggested and which, if embodied in legislation, would result not perhaps in a more intelligent or higher class of men than the senators we have at present, but in the creation of a Senate responsible to the people of the country and having their confidence. What the senators will do under such a constitution they will do as representatives of the people and not as representatives of

a party, or as men who owe allegiance to a party.

I have suggested that the present senators should hold their positions during their lives. I submit that for two reasons: One is that I think senators really have a fair preemptive right to the positions to which they have been appointed, and that it is only fair to them that they should continue to hold their positions during the period for which they have been appointed, that is during life and good behaviour. Another reason is—and this is a very potent one—that I doubt very much if such a Bill would pass the Senate, as it would have to do, unless it did provide for the retention of their positions by the present senators. That is not an original suggestion of my own, because that same thing was said in 1856, when it was proposed to change the legislative council, at that time appointed, to an elective legislative council. The legislative council had rejected a Bill in 1854 for reforming their constitution, simply because it provided to wipe them out. Consequently in 1855, when the measure came up again, it provided that they should retain their places under their appointments and that new councillors should be elected twelve at a time, that is, twelve the first year, twelve two years later, another twelve two years after that, and a fourth twelve two years after that. The constituencies for which legislative councillors were to be elected were chosen by lot, the names of the different constituencies were put in a box and the first twelve that came out of the box were the first in which elections were to be held, and so on until the whole forty eight were elected. They were to be elected in that way and to hold their positions for eight years, twelve legislative councillors being elected each two years. That, you might say, was a very good solution of the problem. There would necessar-

4 p.m. ily be a party organization because with a legislative council of forty-eight twelve men might be sufficient to change the complexion of the council, and you would have politics entering into the matter. What I have taken the liberty to suggest is that the Dominion of Canada should be divided into as many senatorial districts as there are senators to be appointed; that each province should have the same number of senators as it now has under the provisions of the British North America Act; that the present senators should hold their positions during their lives according to the conditions under which they were appointed, but as vacancies occur from time to time elections should be held in the senatorial district concerned. What would be the result and the effect of that? There would perhaps be a vacancy in New Brunswick or Nova Scotia or British Columbia. Under the provisions of the Act an election would be held within the required time for the election of a successor. There would be no party organization throughout the country; there would be probably some political local feeling in regard to the matter, but generally there would be no party organization, and that senator when elected would not be under the control or in any way under obligation to any party organization. He would be elected by reason of his ability as a man capable of representing the people of the country. He would be a man known in the locality. He would be free and independent in politics and, whether he had previously been a Liberal or a Conservative, he would go to the Senate of Canada as a representative of the people, free and independent of political affiliation. That is the principle upon which the members of the Senate should be elected, and I should be glad to see that principle more prevalent in the House of Commons than it is at present. I have suggested that they should be elected for a term of seven years. In the old legislative council of Canada the members were elected for eight years, there being an election of twelve men every two years. The suggestion that the term be seven years is only an arbitrary one, but I think that seven years would be a term of reasonable length. Members of the House of Commons are elected for a term of five years; I think that senators should be elected for a longer term. In that event a senator would hold his position for seven years, and no dissolution of Parliament could affect his senatorship during that period. At the end of the term he would go back to his constituents, give an account of his stewardship, and ask them whether they would again trust him with their interests in revising or supervising the legislation of the House of Commons. By the adoption of this suggestion you would have an independent body of capable men, free from political influences, filling the highest position in the land as a revising body of the legislation of the lower House. Sir John Macdonald, in moving the adoption of the resolution for an elective legislative council in 1856, expressed himself as being strongly in favour of a

revising chamber. He said that if there were no second chamber, half of the legislative assembly should sit on one side and half on the other, one to act as a revising body of the legislation passed by the other —not necessarily to throw out legislation, but to revise it. In common with other gentlemen interested in the public affairs of the country at that time, he felt that a second chamber was a necessary part of our legislative system. I submit that a second chamber is as necessary a part of our legislative system to-day as it was then. That being the case, we should have a legislative system as free as possible from political influence, representative of the people, a permanent organization having no fear of Government or Government control.

I have suggested that no qualification should be required of the person seeking election to the Senate. I do not see why qualification should be necessary in the Senate any more than it is in the House of Commons. No qualification is required of men seeking election to the House of Commons other than capability and honesty; nor should any qualifications other than these be required of senators. If a man is capable, honest, and trusted by the people, he is fit to represent the people, whether he is wealthy or poor.

It was said years ago that it would be difficult to get men to offer themselves as senators in large constituencies. But times have changed very much since that argument was advanced. At that time great difficulties were experienced in canvassing large constituencies, but in these days of good roads—with better roads coming—of railroads in every section of the country, of newspapers in every town, village and hamlet, of motor cars, what greater difficulty is experienced by the candidate in a large constituency than by the candidate in a small constituency? Moreover, a senatorial constituency composed of several counties would be so large that no man, whatever his wealth, would attempt to bribe the electors. The constituency would be so large that he could not go from house to house and conduct a personal canvass. His qualifications for the position would be the qualification that he could demonstrate to the electors on public platforms throughout the constituency; he would be known by his utterances rather than by his personal canvass.

I have suggested that there should be a remedy for any deadlock taking place as between the Senate and the House of Commons. I submit that that single reform should be made even if nothing else be done, and in that I feel that I have the support of hon. gentlemen opposite. We heard, in 1912, and have heard since then, that the Senate should be put out of business because they practically rejected the Naval Aid Bill of the Government. If the Conservative Government had been invested with such power as is suggested in my resolution, there being a difference of view between the Upper and the Lower Chamber, the Government would have had the right to appeal to the people, and if the people had approved the proposed legislation and the Act had been again passed by the House in the same terms, it would have become law without going to the Senate. I wonder if this Government would have appealed to the people. I am free to say that, irrespective of political feelings one way or the other, I would like to have had an expression of opinion of the people with regard to the naval aid policy of this Government as against the naval service policy of the former Government. If such a proposal as I have suggested had been in operation at that time the Government would have had an opportunity of obtaining that expression of opinion had they seen fit to accept the responsibility of dissolving Parliament and going to the country. It is just possible that under an elective system the political complexion of the Upper Chamber, if there was any, would not be as speedily changed as it is at present; under existing conditions a change is brought about rather quickly. At any rate, I would have no fear of the political situation with an elective Senate, for the senators would not be tied down by party affiliations, party prejudices, or party alliances.

This resolution may require modification. If the Government or the House see fit to accept it the matter can easily be referred to a committee who could put it in shape to go before the Imperial Parliament. Some such resolution should be adopted; such a change as is suggested should be made in the system of constituting the Senate of Canada. When that change shall have been made it is my opinion, Sir, that we shall have reached the highest position which can be obtained in any democracy: that of a government of the people, for the people and by the people. I beg leave, therefore, to move the resolution which stands in my name.

Mr. J. G. TURRIFF (Assiniboia): Mr. Speaker, there was one part of the remarks

of my hon. friend (Mr. German) that I agreed with very heartily, and that was when he pointed out to the House that the election of a senator in a large district comprising three or four of our present districts would not be any more difficult nor any more expensive than the election of a senator in one of our present counties, and therefore I take it for granted that he is thoroughly in accord with the principles of proportional representation, as the question of expense is one of the great objections to the present system. Since I have been a member of this House, I have on many occasions heard this question, being brought up usually although not always by some one sitting in Opposition, and on most of those occasions hon. gentlemen who have brought the matter up have been thoroughly in earnest and honest about it, just as my hon. friend from Welland is to-day. But so far as I have been able to see, no scheme that has yet been recommended seems to appeal either to the House or to the country as being much better than the present system. I am not one of those who have favoured doing away with the Senate simply because on occasions it has gone diametrically opposite to the views expressed in this House. My hon. friend to-day suggests an elected Senate instead of an appointed one. In my opinion we would not be likely to get, by election, a Senate that would be less partisan than it is at present. You can not elect senators without having political organizations, and those organizations would be Liberal or Conservative and you would have your Senate composed of Liberals and Conservatives. In fact, I think the Senate would tend to be more partisan than it is at present, because under the prevailing system, when a man is appointed to the Senate, he is somewhat in the same position as a judge if he chooses to assume that position; he is not dependent on any organization, nor is he dependent on any party.

I quite agree with my hon. friend from Welland that the senators, even with their handicap of age, because they average considerably older than the members of this House, show up man for man to good advantage against the members of this House. I have frequently observed the manner in which they deal with legislation that comes before them. While all of the senators may not be skilled in legislative work, many of them are, having obtained their training in the local legislatures and in this House, and taking them all around, they are, with, of course, some exceptions, able and good men and they do their work expeditiously and well.

Another objection that I would have to an elective Senate is the matter of cost. Although a senatorial election would not cost quite as much as an election to the House of Commons (because my hon. friend proposes a longer term for senators), the cost would be great and, in my judgment, the class of senators that would be secured by election would not be worth the extra expense. There is also a general feeling that in elections to municipal councils, local legislatures, and the House of Commons, the people have a sufficiency of elections.

I wish, however, to mention a couple of changes that I would like to see made in connection with the Senate. These are views that I have held for a good many years. A year or so prior to the election of 1911, when we on this side of the House had no thought whatever of being in Opposition so soon, I discussed this matter with the present leader of the Opposition. I have never brought the matter up since, simply because my hon. friends on the Government benches have been in the minority in the Senate. It is to the credit of the Fathers of Confederation that they arranged for a Senate in such a manner that so far we, their successors, have never been able to find any satisfactory method of changing it, but I think it was never their intention that the Senate should be so absolutely one-sided as it usually is. When the Liberals came into power in 1896, there were, if I remember aright, only between twelve and eighteen Liberal senators—a very small number—out of 84. Within five or six years the Liberals had a majority in the Senate, and when we went out of power in 1911, the Senate was practically as one-sided as when we came into power in 1896. That is not a satisfactory condition for the Senate to be in, and I do not think it was ever expected at the time of Confederation that the Senate would become so one-sided as I have described. Should the Government remain in power for another term or two, the Senate would again be absolutely one-sided. In 1910, in discussing the matter with my right hon. leader, I took up the question of whether it would not be advisable, when we came to form the western provinces into a senatorial district, as was done later on by my hon. friends opposite, to make a change and provide that thereafter the leader of the Op-

position should nominate to the Prime Minister, whoever he might be, every third senator of that particular senatorial division. For instance, when a vacancy occurred in the West, the Government would fill it; when a second vacancy occurred, the Government would fill that also, but when a third vacancy occurred, the leader of the Opposition would give the name of the appointee to the leader of the Government, who would appoint every third man from the Opposition. The same thing would take place in Ontario, Quebec and the lower provinces. In this way, neither party would lose any of its patronage—the patronage would simply be carried over for a little. To my mind this would have two advantages. During the earlier years that I sat in this House when we were in power, there were in Opposition several men—one of them is in the House still, my hon. friend from Halton (Mr. Henderson), the present senator George Taylor, and others, men who had spent twenty-five or thirty years of their lives working for the public, and who were going up in years, and I thought it would have been a splendid thing if the leader of the Opposition in those years had the power of every now and then nominating one of these men to the Senate. We would have lost a little of our patronage at the time, but we would have made it up to us now if that method of nomination were in force. We went out of power in 1911, and up to now I have never felt like giving voice to these views simply because hon. gentlemen opposite were in a minority in the Senate, and I would be the last man on earth to suggest that a party in a minority in the Senate should be asked to appoint any one but their own supporters in filling vacancies. But when the present vacancies are filled hon. gentlemen opposite will have a majority in the Senate, and I therefore throw out my suggestion for what it may be worth. If my right hon. friend the leader of the Opposition were in power I would speak very strongly upon this subject, and insist as far as I could on the Liberal party making a change as soon as we obtained a majority in the Senate. If every third man were appointed on the recommendation of the leader of the Opposition, it would certainly prevent the Senate from being so one-sided. I say 1 out of 3 just to illustrate my argument; that might not be the right proportion, but it shows the object I have in view. I think such a change would be in the interests of the Senate itself, in the interests of the Government and in the interests of the country.

There is one other change I would like to see made in the Senate. I would provide that when a senator reaches a certain age, seventy-five say or any other age fixed upon, he should be superannuated and another man appointed in his place. In my opinion the Senate could be made a much more useful branch of the Government than it is at present. We all know that for weeks after this House assembles there is very little for the Senate to do until legislation goes up to them from this House.

Mr. MARCIL: They can initiate legislation.

Mr. TURRIFF: I was just coming to that. When a man attains the age of seventy-five or any other age that may be decided upon, and younger senators are appointed, I would give the Senate more work to do. Certain classes of legislation should be introduced in the Senate, and should come to this House thoroughly thrashed out and licked into shape. We know from experience that when legislation comes to this House from the Senate there is mighty little for us to do; it is a big help. If this suggestion were adopted I do not think there would be more than ten or fifteen senators that would have to be superannuated, and the cost would be trifling compared with the amount we would save in thus shortening the life of the session. I would provide by law that all legislation of a certain character, railway Bills, or all private Bills if you like, should be introduced in the Senate and thrashed out there before coming to us. I am satisfied that if something along this line was done, it would shorten the session by three or four weeks, and we would thereby save ten times as much as it would cost to superannuate the few senators who had reached the age limit. Even without superannuating any senators, I think more legislation should be initiated in the Senate with a view to shortening the length of the session.

Those are the two suggestions I have to make. As I said before, I did not want to make them until hon. gentlemen opposite had a majority in the Senate. The hon. member for Welland (Mr. German) has brought the subject up, and while I do not quite agree with his views, I would like to see something done along these lines, as I am sure it would be a step in the right direction, and would give good results. I trust that my hon. friend who is leading

the House will take this matter into his consideration.

Mr. A. K. MACLEAN (Halifax): I did not intend addressing the House on this resolution, but since hearing the hon. member for Welland I have a little more interest in the matter than I had thought I would have. I can well appreciate the befitting modesty of my hon. friend for Welland and his diffidence in moving this resotution by reason of the fact that resolutions of this character are largely academic and usually are made by members of the Opposition. Resolutions of this character as a rule receive but scant sympathy from the Government of the day. I remember in 1907 when a resolution for the reform of the Senate was moved by the late Mr. MacIntyre, the present Prime Minister, then leader of the Opposition, expressed the opinion that some reform was desirable, but that it was entirely in the hands of the Government. If that was true then, I suppose we upon this side of the House might to-day well urge that reform of the Senate is to some degree at least desirable, and that the power to reform that body is within the hands of the Government, and therefore they should take some action. However, that form of discussion does not carry one very far, and is not very likely to bring about reform.

I do not know whether I can fully endorse the resolution of the hon. member for Welland, but I am strongly of the opinion that there is great urgency for some reform in the constitution of the Senate. No doubt that body was patterned after the British House of Lords. Of course, we could not very well adopt the hereditary principle here, and it is very fortunate that we did not, but in my opinion appointments to the Senate for life are but little better than the hereditary principle which prevails in respect to the British House of Lords. I hope that one of the great reforms that will take place in England in consequence of this war will be the abolition of the hereditary principle in the House of Lords, which, after all, is but a relic of mediævalism, and does not tend to keep the British democracy in the position it should occupy.

I quite agree with the mover and seconder of the resolution in refraining from any attack on the personnel of the Senate, a course which has been very often departed from in this House in debating similar resolutions. It is quite true that the Senate has not accomplished that measure of use-

fulness which the founders of Canada expected of it; nevertheless, the members of the Senate have been eminently respectable and able men, always desirous of performing their public duties. The mover of the resolution has referred to three or four measures which have been defeated by the Senate.

I cannot at the moment say, nor would I care to speculate upon, what were the motives of the members of that body in defeating any of the measures to which the hon. member has referred. But I believe that in each case the Senate probably reflected public opinion. Looking backward upon the defeat of the Yukon Railway Bill—I was not in the House at that time—I am inclined to believe that it was probably in the interest of Canada. Perhaps it is easier to see that to-day than at the time the Bill was defeated. And it is quite possible that the motive impelling the Senate in its action was political. I think also that the defeat of the Naval Bill would have been endorsed by the public if the matter had been properly presented to them and time had been afforded for reflection. The Senate did not defeat the Highways Bill, but merely insisted upon an amendment which the Government did not accept. I have never had any doubt as to the propriety of the Senate defeating that Bill absolutely, for every measure involving the expenditure of public money should have behind it some policy, and this was a Bill without any public policy behind it. Only recently we had the defeat of a Bill for the relief of the shareholders of a defunct bank, the Farmers' Bank, a Bill in which I think you, Mr. Speaker (Mr. Blain in the Chair) were actively interested. That Bill was defeated by vote of the Senate, the majority including many of those affiliated with the Conservative party. I think this was one instance in which the majority of the Senate defeated a Bill which they believed to be wrong in principle, and in defeating it were not influenced by political considerations.

There is one feature in the constitution of the Senate which I do not hesitate to condemn, and that is the life tenure of office by senators. I do not believe there is in this Chamber to-day a single member, who, expressing his honest conviction, would say that he approves of that feature of the constitution of the Senate. The abolition of the life tenure would be in itself a very considerable reform, and would bring about so many advantages that there would be less necessity for radical changes in the

constitution of the Senate. The suggestion of election of senators doubtless has features to recommend it. The idea is not a new one. It has been tried in the United States, perhaps in some instances with success, but in many to the grievous disappointment of the best citizens of that country. It may matter little what is the form of constitution of a parliament, you may get good results from a parliament which, in theory, is improperly constituted, and vice versa. "What's best administered is best." I am rather inclined to the view of the hon. member for Assiniboia (Mr. Turriff) at the moment, but am not inflexible in that view and would be quite willing to change it if reasons were given to prove that an elective Senate is the best. When a resolution on this subject was before this House in 1906 the present leader of the Opposition (Sir Wilfrid Laurier) quoted from Sir John Macdonald upon the subject of an elective Senate. I read what was then quoted, because it embodies a substantial objection that can be raised against the suggestion contained in the resolution. Sir John Macdonald said:—

> The arguments for an elective council are numerous and strong; and I ought to say so, as one of the Administration responsible for introducing the elective principle into Canada. I hold that this principle has not been a failure in Canada, but there were causes—which we did not take into consideration at the time—why it did not so fully succeed in Canada as we had expected. One great cause was the enormous extent of constituencies and the immense labour which consequently devolved on those who sought the suffrages of the people for election to the council, for the same reason the expense, the legitimate expense, was so enormous that men of standing in the country, eminently fitted for such a position, were prevented from coming forward.

The latter part of the quotation I think, gives a fairly substantial objection to the principle of the resolution submitted by the hon. member for Welland. A senatorial election on the basis outlined in the resolution may incur a vast amount of legitimate expense and would consume a great deal of time, and I fear that the result would be that the proper class of men would not seek election to a Senate so constituted.

It will be unfortunate if this debate should end without further action taken, as occurred in the case of other similar resolutions. I think the opinion that there is room for reform in the constitution of the Senate is as strong upon one side of this House as upon the other. This is a question on which, I think, we might well forget for the moment our political feelings, the Government might forget that they are in power, and that members might join together candidly and regardless of political feelings, with the hope of working our some solution of this problem. I would suggest that a committee of the House be appointed to consider the resolution, and I would give power to that committee to send for witnesses and for any documents which may be available and helpful. The matter being taken up by this committee, I should hope that the interest in it would be continued after the conclusion of this debate. A number of members of the House, and a number of senators also, might be summoned before the committee, and probably their opinions would be given to the committee with greater alacrity than they would be given in the House. I am not sure that the committee should not be composed of members of the senate as well as of members of this House. I submit my amendment. It embodies the view I hold, and if not absolutely correct in form, it can be amended later:

> That a select committee of seven members of the House of Commons be appointed to take into consideration notice of motion No. 16 on the notice paper, standing in the name of Mr. German and relating to the constitution of the Senate, with power to send for persons, papers and documents and to report from time to time.

Mr. W. F. NICKLE (Kingston): Mr. Speaker, when I came to the House this afternoon, I was not aware that this resolution was to be debated and, therefore, I have not got my thoughts in such order as I might desire. But, Sir, the question of the constitution of the Canadian Senate is one that has for many years more or less had my attention. I realize that in drawing constitutions one may plan ever so carefully and that in the actual working out of the scheme what was desired is not always attained. One of the most glaring examples, I suppose, in history, is the effort of the founders of the American Constitution in determining the methods that were to be adopted in the election of the president. They established it as a principle that the Electoral College should be chosen. They, no doubt, expected that it would be composed of the ablest and most far-sighted men of the time, that they would gather together at stated periods and that their combined wisdom would result in the most suitable man in the United States being chosen as president. But, if that was what they expected they signally failed in attain-

ing that result because, as is well known, the election of the president of the United States is fought out to-day on party lines of the most well-defined and clean-cut edge.

I am quite ready to admit, speaking from this side of the House, that I do not believe that the constitution of the Senate, as it is now established, is altogether satisfactory. But, in saying that, perhaps, I only in a general way criticise the Senate as democracy has been criticised as being "of all forms of government the least objectionable." Perhaps our selective Senate is of all forms of choosing the least objectionable. But, as the hon. member for Halifax (Mr. Maclean) said, that is best which is best administered. If it were possible to impress upon the governments of the day —I speak having regard to the appointments that the Liberals have made and I speak also taking into consideration the appointments that the Conservatives have made—that if less attention were paid to purely party lines, if we were not so keen to give recognition to men of our own political faith, but if we took a wider point of view and endeavoured to secure for the Senate men of outstanding capacity in the various walks of Canadian life, educational, industrial, agricultural, financial and political, the Senate of Canada would be a stronger body.

Now, the hon. member for Halifax has said that in the main he believed the Senate had expressed what the people were from time to time thinking, and he has directed attention to the Yukon Bill of some years ago, to the Naval Bill and the Highways Bill of a few years ago. As to the Yukon Bill, I cannot speak, because I am not acquainted with its peculiar terms, but I think the attitude of the Senate on the Naval Bill came as a tremendous shock to the people of Canada, because we know that there were Liberals who believed that the Conservative party were right and voted against the Bill and the Conservative party, and I do not think it would be amiss to say that there were Conservative senators who thought that the Liberals were right and still voted for the policy of the Conservative party. I believe that the senators should act more or less as political judges, that they should be publicists of the widest point of view, and that in the discharge of their duties their decision should be reached with regard only to the interest of Canada at large and without regard to the particular view of this measure or that measure as it appears to affect the fortunes of one party or the other for the time being.

[Mr. Nickle.]

But would my hon. friend from Welland (Mr. German) attain this ideal condition if this measure should be adopted by this House and if it should have legal effect? It does not seem to me that he would. He says: Let us have an elective Senate, elected for a definite term, and if we have that we will get an independent Senate. If one is to judge of what is going to be the effect of the resolution, or of the legal enactment of the proposition, there is no better school than the school of experience to enable us to determine the result. Let us see what has been the effect of an elective Senate. The great outstanding example is the Senate of the United States. I do not think the hon. member for Welland would contend that there party politics are not the predominant force that determines the election, and although party politics in the main do determine the election, there is one other characteristic that is a very important factor and that is the wealth of the men who stand for election to the American Senate. Wealth and party prestige are essential in the main to election to the American Senate. If you want to take a more recent example you have the example of the Senate of the Australian Commonwealth. There was a body of men speaking the same language as our own, taking the British Constitution and the ideals and examples well known to them and to us, and endeavouring to elaborate an ideal constitution. They decided that they would have an elective Senate, and how has it worked out? Party lines are drawn just as tightly in Australia as in other countries and in the case of an election to the Senate the same organization prevails for the election of senators as for election of members to the House of Representatives and party lines are to a great extent the determining factors. If we should adopt this method of election in Canada, I am afraid we would find ourselves in this predicament, that men standing for election to the Senate would necessarily have to declare their party affiliation and attitude to public questions of the day. Under our system of elections, many questions come before the people at the same time and a man might vote for his representative for this reason or that but I greatly fear that the election to the Senate being for a wider area, and an appeal being made to very many more men than would be made in an election of a representative to this House, we would find that wealth and party prestige would be the controlling factors.

I believe in manhood suffrage, I think that every man who lives in the country and is a citizen is entitled to a vote, but while I believe in manhood suffrage, I doubt very much if manhood suffrage has attained all that those who fought for it desired. The issues upon which elections have been fought in this country are rarely so clear-cut and well-defined as to make the popularity and influence of the candidate a negligible factor. If you are going to elect your senators not from a population of 30,000 or 40,000 but from a couple of hundred thousand and if manhood suffrage is to prevail, as it should prevail, then it seems to me that there is not going to be any chance for the man of moderate means because influences will be brought to bear that should not be brought to bear and the Senate that the hon. member for Welland desires to be constituted will be a Senate that would represent the wealthy men of the party in each district in which that party's votes predominated.

I think there is a good deal to be said for the amendment of the hon. member for Halifax (Mr. Maclean) that a committee of this House should be constituted to look into the whole question and see if some way can not be devised by which the personnel of the Senate will be strengthened and in order that it may not be managed merely as patronage to be distributed by the Government that may from time to time happen to be in power.

Mr. O. TURGEON (Gloucester): Mr. Speaker, I desire to say only a few words on the resolution of my hon. friend from Welland (Mr. German). I think it is well known in this House and in the country that I am one of the most sincere admirers of the constitution of Canada and of the Fathers of Confederation, who gave us that constitution. The reform of the Senate is a question upon which I have already expressed my mind, and no member of this House who has introduced suggestions for its reform has ever been able to convince me to change my opinion. I believe in the wisdom of the Fathers of Confederation, and I say that in the establishment of the two chambers the Fathers of Confederation proved their practical wisdom for the distant future, and more particularly for the near future, as we may describe the present day in relation to their time.

We must not conclude that the Senate does not fulfil its mission because it does not meet with the approval of everyone in the country. The hon. member for Welland (Mr. German) has made that point explicitly, as he does every point upon which he treats, especially on questions legal or constitutional. I agree with him in the admiration he has expressed for the members of our Senate. It is, perhaps, only one more evidence of the wisdom of the appointive as opposed to the elective Senate. The appointment remains upon the responsibility of the Government of the day, who have every possible interest in appointing to the Senate outstanding men of the day, who have proven their quality by their past records and their careers.

Hon. members speak of securing better conditions in the Senate by means of elections. As the hon. member who preceded me (Mr. Nickle) said, I believe that we have now enough elections in this country to interest the electors, between municipal, provincial and federal, and that with that consideration in view the Fathers of Confederation decided to make the Senate appointive instead of elective. The result will be practically the same. For instance, in my province, in which we have ten senators, and after the next election will have only eleven members of the House of Commons, the divisions will be practically the same. My constituency, being a large one, will be the same for the Senate as for the House of Commons, and I believe that I would have more chance at the hands of my electors than at the hands of the present Government. However, I am against the elective system as applied to the Senate.

One of the main reasons why the Fathers of Confederation, in framing the constitution, made the Senate appointive, was to secure the protection of minorities. The Senate has been created more for the protection of minorities than from any other consideration, political, industrial or financial. I well remember, some years ago, one of our regretted friends, Sir Richard Cartwright, in discussing this question in the Senate saying that he favoured an appointive Senate just because in his province of Ontario, where the large majority are Protestant and the minority Catholic, even with the best will of the different organizations of both parties in Ontario and every effort to give due representation in the House of Commons to the minority in the province, it had always been found impossible in practice to secure such representation for them, and that by the placing of the onus of such responsibility on the Government, the Governments of Canada, both Liberal and Con-

5 p.m.

servative, had been able to give just representation to the minority in Ontario through the power of appointment to the Senate. The same thing might be said of Quebec where under an elective system of appointment to the Senate, even without any feeling, it would be impossible in many districts to have a sufficient number of English representatives from that province in the House of Commons. Similar conditions might arise in any other province where we have the Irish Roman Catholics, the French Roman Catholics and the English element, each anxious to have fair representation in this House, but in some cases unable to do so owing to the way in which the population is distributed. In such a case fair representation cannot be obtained at the hands of the electorate, but can be obtained through this power of appointment. Take New Brunswick for instance. I remember a few years ago, when my right hon. friend (Sir Wilfrid Laurier) was at the head of the Government, and there was a Senate vacancy belonging, as we thought, to the French minority, he convinced me that I should let the vacancy be filled by an Irish Catholic because in the province of New Brunswick the Acadian people, the French population, had their fair share of representation in the House of Commons while the Irish Catholics could not send one of their own to this House; and therefore it was in the interest of justice that the Irish Catholic element should have a larger representation in the Senate and they had the right, so far as the Senate alone was concerned, to such representation. In that way both minorities in the Maritime Provinces did obtain just representation, just proportional representation, in the Senate. As I say, it is one of the reasons why the Fathers of Confederation decided to adopt the appointive system instead of the elective system.

The hon. member for Halifax (Mr. A. K. Maclean), has said that the elective system would be a very expensive one. No doubt it would, and that is another consideration against it.

It is said that the Senate has on many occasions shown partisanship. I agree with the hon. member for Welland (Mr. German) that when the members of the Senate in 1897 or 1898 rejected the Yukon Bill which provided for the construction of a railway in that country, we as Liberals perhaps thought at the time that the Senate might have been actuated by partisanship. It may be that the experience of today has convinced the population of Canada that, from a practical standpoint, the Senate were right in their decision. It has been said that the Senate showed partisanship in rejecting the Naval Bill of 1912. May I remind the House that the Senate at the time acted most wisely. They did not reject the Naval Bill, I cannot allow that statement to remain uncontradicted. The Senate at the time did what the constitution, in the pure spirit of democracy, permits them to do, force an appeal to the country; and if the country had supported the Bill the Senate was prepared at the next session to stand by it.

There is another point which I wish to raise. My hon. friend from Assiniboia (Mr. Turriff) has mentioned an age limit of seventy-five or about that age. Let me say that since I have been in this House and have had an opportunity to observe the Senate, I have found that in the Senate, without mentioning any names, it is those past seventy-five who have been most active in the Senate, and have given the most efficient service.

Mr. TURRIFF: Make the limit one hundred years.

Mr. TURGEON: It shows the wisdom of the Fathers of Confederation that with all our attempts to amend the constitution and reform the Senate, we cannot reach any solution. That simply means that they acted so wisely that we cannot amend their work. They foresaw that point also, and made the reservation that when a senator vacates his seat for two years he forfeits it, and therefore when he becomes incapable of attending the Senate and has stayed at home for two years the Government must appoint another man.

I am not opposed to the amendment which has been brought forward by my hon. friend: I believe, it would be a good thing for us to show the country that we take an interest in this suggestion. I believe, however, that very little reform could be made, except, perhaps the reform suggested by the member for Assiniboia—that more legislation should originate in the Senate, thus keeping the members of the Senate busier and doing away with their complaint that they have to wait for legislation coming from this House.

Mr. EDMOND PROULX (Prescott): I have no doubt, Mr. Speaker, that the fathers of Confederation adopted what they considered to be the best possible plan, having regard to their experience. As the hon. member for Welland (Mr. W. M. Ger-

man) said, the elective plan in 1855 did not prove successful. At the time of its adoption they did not have a free hand, because the then members of the legislative council held office under the old system. The same difficulty would be experienced if the plan suggested by the hon. member for Welland were adopted; we would have to commence as they did in 1856, with a practically complete chamber, and deal with the vacancies according to the new plan.

I sympathize with my hon. friend's idea so far as the reforming of the Senate is concerned, but I doubt very much whether his plan would prove as successful as he imagines. As the member for Assiniboia (Mr. J. G. Turriff) said we have many elective bodies in this country—school boards, municipal councils, legislative assemblies, and the House of Commons—and perhaps it is just as well that we should have, as the highest legislative body in the land, a chamber appointed under the selective system. I am strongly in favour of the suggestion of the hon. member for Assiniboia, however, that a change should be made in the manner of making appointments. I think his plan is one that should commend itself to this House, because all the appointments should not be in the gift of only one party. The Conservative party remained in power for eighteen years previous to 1896, and the Liberal party was in power for sixteen years after that date. During the time that each party was in power, each party made all the appointments to the Senate. Members of a Government are human, and their preference always goes to members of their own party. If appointments are made by both parties, it is only just that the party in power should have the majority of the appointments. The mode suggested by the member for Assiniboia is, I think, a very good one; it is better to have the Senate more divided and more in touch, perhaps, with public opinion.

Another reform which ought to be adopted is one affecting the age limit of members of the Senate. The member for Gloucester (Mr. O. Turgeon) seems to think that the older senators are very efficient. No doubt there are exceptions, but I would point out that the age limit of county court judges, which formerly was eighty, a few years ago was set at seventy-five. If, therefore, there is an age limit for those who have to administer the laws, I do not see why there should not be an age limit in respect to those who make or revise the laws. When a man passes the age of eighty years, his mental powers are somewhat impaired. In this House there are very few men above the age of seventy-five years—I think there are not more than three or four—although I believe that these men are just as good as, if not superior to, those who are younger.

Another reform which I would like to see adopted is that of the appointing of senators for a term of years—say, ten years. They could be reappointed at the end of that term, but upon reaching the age limit they would have to vacate the seat. By appointing senators for a term of years, I think that more changes would result, more new blood would come into the Senate, and the Senate would be more in touch with public opinion. We do not want to see in Canada an Upper House, such as they have in the Old Country, which is a refuge for the aristocracy. We have no aristocracy in Canada, but if the creation of lords and the practice of conferring titles generally is continued, we may have an aristocracy before many years. This country is a democracy, and I think it is the wish of the people that it should remain democratic; that Canada should not have an aristocracy. The second chamber, which is a revising body, should keep in touch with the views and the wishes of the people. Although I want to see reforms adopted, I doubt very much whether the making of the Senate elective instead of selective would bring about the desired results.

Mr. BOULAY (Rimouski) (Translation): Mr. Speaker, I regret to say I am not learned in the law, and I have not the slightest intention to discuss the motion introduced by my hon. friend from Welland (Mr. German); I beg, however, to be allowed a few remarks on the question now before the House.

It is to be deplored that the hon. member for Welland did not see fit to bring up this resolution when his party was in power; its chance of becoming law would then have been better. I feel, however, that I owe him my congratulations: Personally I am in favour of an elective senate such as he suggests. The scheme is fully in line with democratic principles and would be of great advantage in many cases. The system would allow every section of the population to elect its own representative to the Upper House, while at present senators are appointed from Quebec or Montreal to represent rural districts, such as the division of the Gulf, for instance. Such dealings are detrimental to the electors of the sections

concerned; it often happens that senators are unknown to the people they are supposed to represent and are themselves unacquainted with the residents of their senatorial division. How then can they properly look after the interests of their constituency?

Even should the present system of appointment be continued, it seems to me that the government of the day should always pay heed to such requirements; but with an elective senate such as advocated by the hon. member for Welland and with senators elected for a period of ten years or more, as suggested by the hon. member for Prescott (Mr. Proulx), there would be no opportunity for such unfair treatment; the voters would always see that they elect to the Senate the man that is most agreeable to them.

I also think that age should be taken into account; old age affects a senator's efficiency and power just as it affects efficiency and power of a man in any station of life. An elective Upper House would also obviate that drawback.

Another point; I believe that the senatorial representation ought to be proportionate to the population of every province as is that of the House of Commons. Accepting 24 as the number of Quebec senators, I think it might be taken as a basis to determine the number of senators to which the other provinces are entitled; the system would then be the same as that whereby the number of representatives in this House is computed. It seems to me that in this way the whole of Canada would be more fairly represented. Of course, certain provinces would lose some of their senators, but it is only fair that their representation in the Upper House be in proportion to their population. At present the province of Quebec counts only one senator for every 83,000 people, while Prince Edward Island with a population of 90,000 or 92,000 is represented by four. In this way the province of Quebec is not accorded fair treatment.

I do think that the appointment of a committee, from both sides of the House, as suggested by the hon. member for Halifax (Mr. Maclean) and the hon. member for Kingston (Mr. Nickle) to seriously investigate the question would be the most expedient method of arriving at a solution and satisfy all parties concerned. I hope the suggestion will be favourably considered by the members of the two political parties of the country.

[Mr. Boulay.]

Rt. Hon. Sir GEORGE FOSTER (Minister of Trade and Commerce): Mr. Speaker, I have been interested in the discussion which has taken place on this subject, and, of course, I would have been all the more interested had a greater number of hon. members spoken. I do not think it at all follows that because nearly fifty years ago a certain method was adopted, under then existing conditions, to frame a political constitution, the time may not come when that constitution ought to be revised so as to conform with the social and political changes which have occurred in the interim. Of course, discussion and thoughtful consideration are necessary preliminaries to any such change. On such a subject as this, I always hail with pleasure a really earnest conversation in this House, and one bereft of any party animus. My hon. friend, the proposer of this resolution (Mr. German) has, in his remarks, offered a delightful opportunity for a little criticism, were I disposed to indulge in it, in that he accused himself of seeming inconsistency. We have all, however, been in that position, more or less, and it is hardly fair to animadvert in that respect. My hon. friend (Mr. German) seemed to be striving after an upper chamber, the members of which should have neither party bias nor political principles, but I think most people will agree that it is not necessary to delete political principles from a legislative body which has to deal with governmental and administrative measures. I am partly in sympathy with my hon. friend in that I would prefer a Senate that was less strongly partisan than a House of Commons. But to my mind the hon. gentleman is steering straight towards methods which would inevitably result in the election of senators who could not help but have party bias. How are you going to bring about such a change in the habits and opinions of men that, when they are elected to the Senate, they will at once forget the party principles and party affiliations in which they believe and with which they have been surrounded from their earliest years? How are you going to conduct a campaign in a large constituency unless you have a political organization? Will you have a "German" organization or a "Lemieux" organization or a "Copp" organization? Will your organization be personal or will it be political? To my mind it is bound to be a political organization, and being such, it will be a party organization. If you have only two great dominant parties, you will, of

a certainty, have two candidates, one of whom will have drawn his support from one party, the other of whom will have drawn his support from the other party, and they will each look for further support to the political party organization with which they have been associated. As a result of a system based on this resolution you must get in the Senate party men. I do not think there is any escape from that conclusion. If you want to get a Senate with the least partyism in it, keep the appointive power. I do not say you will get a stronger Senate in that way, but by reason of the diminution of party strife and party principles due to freedom from future elections, the senators being in that House for the remainder of their life, and not having to cultivate party affiliations in order to make ready for the day when they shall have to account to the people and ask for another term of power, you will get a set of circumstances which will tend to eliminate strong partyism and tend to throw a man upon his own independence. There have been examples over and over again of men of both parties who have very largely lost their partyism in the Senate, and have acted in a way which would seem to commend itself to my hon. friend. If you are going to seek a method by which you will have the least partyism, it will be the appointive method, something such as we have now. I think, however, that by the appointive method, with our political training and methods, we get probably not so strong a set of men as we would get by the elective system. I bear testimony to what my hon. friend has said as to the general character of the Senate, and of the men who have formed our Senate from earliest times to the present. I think they have averaged well with the members of the House of Commons, and that on the whole we have had a Senate of which we need not in any way be ashamed. But I think it is also a fact that the elective method tends to make a stronger Senate, as you then have a Senate which lives closer to the people and studies more closely the trends of business and political thought. I think that has been proven by the system in the United States. I think it goes without saying that the most influential and most important part of the Congress is their Senate; and that body is the stronger and more important, because its members come from the people. They owe their election to the mass of voters they gather to their side, and they gather them to their side because of their own public spirited qualities and character. In the United States the elective senators have on the whole the most representative men.

But are you going to get rid of partyism by having an elective Senate? Australians and Canadians are not so different from each other and my hon. friend for Kingston very properly pointed to the lesson which is taught us by the slightest survey of the working out of the constitution in Australia. I am not saying it to the discredit of the Australians, but I am saying it because I think it is true, that there is not a more strongly partisan body as a Senate anywhere in the world than you find in the Commonwealth of Australia. Yet they are all elected. They were elected on the basis and with the thought—and that part of their constitution was framed on the basis and with the thought—that they would be non-partisan to the largest possible extent, and coming from all the different states would hold the balance equally and justly as between parties. But instead of that they are partisan to a degree; their elections are run on the partisan basis. They have the strength, in the opinion of my hon. friend, that their term is not co-terminus with the term of the members of the Lower House as we would call it. Theirs is a longer term, but they go back to the people periodically. So that, tested by these examples, it does not seem to me that my hon. friend (Mr. German) is by this method going to get the non-partisan body he desires in the Senate. I am not certain that a non-partisan body in the Senate, an entirely neutral body as regards party politics, would be a very workable branch of the governmental machine. In our governmental machine we work through the Government, which commands a majority so long as it does what is about right and holds to the principles of its party; and by the force and power of its organization it is able to get its measures through. But if you have in the Senate an absolutely neutral body politically you are transferring measures from a body which is strongly organized, where the Government and the party that supports it has the power to put through its measures and leaping into the midst of a body which has no organization of that kind, and over which the Government has no power other than the innate value of the legislation which it is seeking to carry through. You may say that that is an excellent test, that if a Gov-

ernment with a strong party behind it throws its strength into a measure and then sends that measure to the other House, if it is proper legislation you may depend upon its getting a fair show. But that may not be the case. I just throw out the suggestion that, looking at it from some points of view, it is not a demerit, but rather a merit that both sides of the House shall owe their fealty and loyalty, in a high and good sense, to the principles which unite and dominate their party. When a party outlives its principles, then some other principles have to be put in their place. That is the line of development in parliamentary and legislative institutions. Speaking as an individual, and not as leading in the House for the time being the party to which I belong, I would like to see some changes instituted so that the constitution of the Senate would in some respects be different from what it is in its general line of representation. It may be idealistic, but I would like to see in the Senate some special representation of great interests in this country other than political interests; for example, the great educational and scientific and moral interests of the country which tend just as much and perhaps even more towards making a country prosperous and great as do iron and copper and lead, and fish, and lumber.

To these intellectual, moral and spiritual forces, I should like to see representation given in the senatorial body; I should like to have those representatives mingle with the representatives of the more material, and in some respects more practical, interests. Could this be brought about, I think it would tend toward better legislation and improved tone in our political life.

These are just a few thoughts which have come to me as this discussion has gone on. What shall we do with the matter, now that it is here? The suggestion is made to send it to a committee of the House, to gather testimony upon the subject. Well, I have seen an infinite number of these committees appointed to gather testimony, and I ask myself what could such a committee gather on this subject that would be of great moment or would greatly help in the solution of this question? Is the country alive to the necessity of a change in the constitution of Senate? It certainly is not showing much interest in the matter. I am not sure but that the country has settled down to the idea that perhaps the system that we have is quite as good as any other. There is not a very wide interest in the subject in this House, so far as I have been able to judge by this debate and similar debates in previous sessions. So, I do not know of any particular good which will come from the appointment of a committee armed with power to send for persons and papers and instructed to collect information as to an ideal constitution for our Senate. The facts can easily be learned. There are the different senatorial bodies of the world with their several constitutions, and any man can within a short time get together the information as to these. This is a question which does not depend so much on information, it seems to me, as upon the careful consideration of the historic development of government in the world in general, and especially in our own country and countries similar to ours. Judgment formed in this way is what will weigh in future changes to be made in the constitution of our Senate. I do not wish to dictate to the House, but as we are few in number this afternoon, and as the subject is an important one and members may desire to consider it for a little time, I would suggest that when we have ended our present discussion, the debate might be adjourned to be taken up later, when we may come to the conclusion to appoint a committee, or to deal with the question in some other way, as we think best.

Rt. Hon. Sir WILFRID LAURIER: The tone of the remarks we have just heard from the leader of the House, Sir George Foster, is most commendable, and will be approved, I am sure, by every member of the House. As he has very properly said, the question is being treated academically, yet it is a very practical question, and I am more pleased than I can say that he has not closed the door to the suggestion of the hon. member for Halifax (Mr. Maclean) to refer this matter to a committee. A committee composed of the hon. member for Welland, the hon. member for Halifax, the hon. member for Kingston, and the other hon. gentlemen who have addressed the House on this subject, would be able to collect, I am sure, valuable information on the subject, and to make very useful suggestions. I do not know that there is very much to be collected in the way of definite information, but a committee composed as I have suggested would be able to make a report to the House which would assist us in strengthening one of the weak places in our constitution. For, I have no doubt, if there is a weak point in the constitution of

Canada it is in the way our Senate is formed.

The hon. member for Welland has gone back to the origin of Confederation. It is within the knowledge of everybody that from the very day our constitution was adopted, the form of the Senate has been the subject of criticism. If I may be permitted to make a personal confession, I might refer to the fact that the Liberal Convention which met in this city in 1893, suggested the reform of the Senate as one of the reforms to be carried out. When the Liberal party came into office this subject was prominently before it. The Convention, however, had not gone further than to suggest a reform of the Senate—it had not said what that reform should be; and when we came into office it was difficult to get Parliament to agree to this or that reform. The Committee, if appointed would have to decide whether to recommend the continuance of the present system of appointment by the Crown—with any modifications that they might think best—or whether we should adopt the method of electing members to the Senate. When Confederation was under consideration, the legislature of the two Provinces of Upper and Lower Canada had a second chamber which was elective. The Convention which was held in 1864, had to consider whether there should be a second chamber or only one. The unanimous opinion was that, especially as a federal system was to be adopted, a second chamber was indispensable. The question then was whether it should be an elective chamber or one nominated by the Crown. As the hon. member for Welland has said, when Upper and Lower Canada were joined in 1841, the second chamber was made up of members nominated by the Crown, but this had not been satisfactory, and was changed in 1854, and then followed elections in 1856, 1858, and so on, as the hon. member has stated. I cannot agree with the hon. member for Welland, for I think that the elective system adopted in 1854, brought to the House a very high class of intellect indeed. Among those who were elected to this Legislative Council from the Province of Upper Canada were Mr. Vankoughnet, Mr. Christie, Mr. Macpherson, and I think Mr. Aikins, father of the present Lieutenant-Governor of Manitoba. Among those brought to the Chamber from Lower Canada were Sir Etienne Paschal Taché, Mr. Dessaulles, and Mr. Lacoste, with quite a number of other of similar high standing in the community. In 1864, however, when the convention sat in Quebec to prepare for Confederation, we must remember that we were in the throes of the American Civil War, and there was an impression rather prevalent that democracy might not succeed, and that it might be just as well not to have an absolutely democratic Parliament, but to retain something of the more Conservative system of Europe and of Great Britain. The system adopted, whether it was wise or not, did not give full satisfaction. When the Liberal party came into office in 1896 we had that question before us and the difficulty that we had was to determine whether the elective or the nominative system was the better. I personally would have been in favour of the American system, which provided for the election of the Senate, not by the people, but by the legislatures. Under that system, extending over a period of seventy or eighty years, the American Senate was probably one of the most potent and able legislative bodies in the world. They had in it such men as Webster, Clay, Calhoun, Douglas and Chase, the very elite of all that was intellectual, dignified and able in the United States. But, whether right or wrong, the accusation was made afterwards that the Senate had deteriorated and had become an assembly of plutocrats. As a consequence the system has been abolished and now the senators are elected directly by the people. These views created their impression upon us and we did not do anything.

I am glad that this discussion has taken place and that it has been free from all party allusions. But I think we might say that the present system of appointment has given us a Canadian Senate of which we have no cause to be ashamed, whether on one side of the other. The appointments, on the whole, have been very creditable to both sides. The Government of Sir John Macdonald made some very good appointments, the late Government made some very good appointments, and the present Government have made some good appointments. They are not all equal; they cannot be all equal. As to the object which my hon. friend from Welland seeks to obtain—a non-partisan body—I quite agree with my hon. friend the Minister of Trade and Commerce that it is impossible to have a non-partisan body. It is not in accordance with our system of Government. Our Government is founded, and carried on, upon the party system and so long as we retain that system, and so long as we have a first and second chamber they must reflect the

opinion of the community. It will be on one side or the other side of politics. Whether we are to have an elective system or not—and I would favour it very much—it is not free from the difficulties and the objections which have been mentioned by my hon. friend from Kingston (Mr. Nickle) but it is a question which is worthy of very serious consideration. I believe that if a committee were appointed, whether they decide in favour of an elective system or another system, or whether they decide a favour of the present system of appointment by the Crown, they would perhaps find it proper to recommend that the appointment should not be for life but for a stated period, say seven years, or perhaps ten or eleven years. There is a certain amount of work in a man and it is better that the members of a body of this kind should be replaced from time to time. What to do with the present members of the Senate is another question but I think we have a very wise precedent in that which was adopted by the Canadian Legislature in 1854. On the whole, I wish to express my satisfaction again to my hon. friend the Minister of Trade and Commerce that he has not closed the debate but that he has agreed that it should be adjourned and that it may be resumed. I favour having the matter referred to a select body to give us the benefit of their thought and consideration. I do not believe there is much to be gained by calling witnesses, but if you have men who can give us the benefit of their thought, experience, study and reading appointed to a committee of this kind, I believe that they would certainly be able to furnish us with a very valuable report upon the subject.

On motion of Sir George Foster the debate was adjourned.

At six o'clock the House took recess.

After Recess.

The House resumed at eight o'clock.

CAPITAL PUNISHMENT—WOMEN AND CHILDREN.

On motion of Mr. Bickerdike, That in the opinion of this House, the best interests of this young nation would be conserved by amending the Criminal Code so as to abolish the death penalty in Canada in so far at least as it applies to women and children.

Mr. SPEAKER: I find that I shall have to rule that this motion is out of order. Bourinot, at page 328, says:

It is an ancient rule of Parliament that no question or motion can regularly be offered if it is substantially the same with one on which a judgment of the House has already been expressed during the current session.

This subject in all its phases was fully discussed on the second reading of Bill No. 83, to amend the Criminal Code, introduced by the hon. member for the St. Lawrence division of Montreal (Mr. Bickerdike). The abolition of capital punishment as it applies to women and children was included in the objects of that Bill. The resolution of the hon. member is therefore out of order.

SEED GRAIN—EASTERN CANADA.

On the Orders of the Day:

Mr. C. A. GAUVREAU (Temiscouta): I would like to ask if there is any foundation for a statement which I find in L'Evenement, of Quebec, of Thursday last, as follows:

Owing to the foresight of the Federal Government, 400,000 bushels of seed grain has been purchased in the West for distribution throughout the eastern provinces. This grain has been inspected and selected by the Government inspectors from Ottawa, having at their head Mr. J. A. Simard, of Quebec. One million bushels of grain has been so inspected and nearly half of it will be allotted to the eastern provinces. Fifteen carloads have already been shipped into the Lake St. John district.

I should like to know if there is any foundation for the statement in L'Evenement.

Hon. ARTHUR MEIGHEN (Solicitor General): This matter properly comes under the Department of Agriculture, and I shall therefore make no reply beyond saying that I am aware that last summer a commission was appointed to take in hand the seed grain situation in the West. That commission had certain purchasing powers with regard to seed grain, the intention being to prevent the draining of the country of seedable wheat in particular, and also other grains. I shall bring the matter to the attention of the Minister of Agriculture, who will further answer the hon. member tomorrow.

Sir WILFRID LAURIER: Did I understand that that commission was empowered to deal with the seed grain question in the West, not in the East?

Mr. MEIGHEN: The commission was composed of Mr. Wilson of Indian Head, Mr. Govan of the same place, and Mr. Morrison of Winnipeg. Thus its personnel was western. I do not think the terms of the Order

in Council confined their duties to the West. However, it was the seedable wheat of the West that was particularly in mind, as the reports of our seed grain officers were to the effect that there was danger that such portion of western wheat as was fit for seed would likely be purchased particularly by American seed commission merchants, and that we might find ourselves without sufficient seed. I should say that the intention was that the municipalities should do the purchasing, and in the main they did so, the efforts of the commission being directed to calling the attention of the municipal officers to the requirements of the time and urging them to take all possible means to see that there was sufficient seed for the municipality. I rather think the scope of the commission was later extended, but I shall leave that for the minister himself to define.

CRIMINAL CODE AMENDMENT—DIVORCED PERSONS.

On the Order for the second reading of Bill No. 4, to amend the Criminal Code, Mr. Pugsley.

Mr. A. K. MACLEAN: The hon. member for St. John asked me to move the second reading of this Bill. The purpose of it is to relieve from the charge of bigamy persons who have contracted marriage in a foreign country after a divorce procured in such foreign country, under certain conditions which are set forth in clause 4 (a). I was instructed by the hon. member for St. John that it was arranged with the Minister of Justice that the Bill should be referred to a select committee, and, that being the case, it is unnecessary that I should say anything further about it.

Motion agreed to and Bill read the second time.

ACT RESPECTING COMPANIES.

On the motion of Mr. A. K. Maclean for the second reading of Bill No. 43, respecting Companies.

Mr. MACLEAN: I desire to move the second reading of this Bill. As I stated on the introduction of the Bill, it was prepared by a committee of the Canadian Bar Association and I think all the members of that committee are members of the Bar in the western provinces; at any rate the Bill was submitted to me in the form in which it is now before the House, and I undertook, on behalf of the President of the Canadian Bar Association, Sir James Aikins, to introduce it and to ask the House to refer it to a select committee for consideration. Hon. gentlemen will see, upon looking at the Bill, that it is largely a compilation made from the Companies Acts of the western provinces, British Columbia, Alberta, Saskatchewan and Manitoba, some sections being taken from the Ontario Act. I do not approve of a great many features of the Bill as it stands. Being a compilation, it naturally has the weaknesses which Bills prepared in that manner usually have. However, I am authorized to say that those who are responsible for the preparation of the Bill are not wedded to its exact provisions.

It is the desire of the Canadian Bar Associaiton that we endeavour to secure uniformity in company legislation throughout all Canada, and its provinces. There is also a desire on the part of the legal profession in Canada—and many others outside the profession as well—for uniformity in company legislation throughout the Empire. Such uniformity is desirable in the interest of trade and commerce. It would mean a great deal for Canada if our company legislation were, as far as possible, in conformity with the English Companies Act. It would facilitate business transactions and encourage investment of capital in Canada if British investors knew that our law respecting corporations was substantially the same as that which obtained in England. The matter of uniformity of company legislation has been considered by the Imperial conferences on more than one occasion. I have before me a memorandum that was prepared for the Imperial Conference of 1911 by direction of the British Board of Trade. At that conference the following resolution was adopted with regard to the uniformity of formation, management and winding-up of joint stock companies:

> That it is desirable so far as circumstances permit to secure greater uniformity of the company laws of the Empire, and that the memorandum and analysis prepared on this subject by the Imperial Government be noted for the consideration of the various governments represented at the Conference.

In the same memorandum I observe a resolution which had been passed by the Chamber of Commerce of Victoria, Australia. I should like to read this resolution, because it expresses what I wish to say concerning the desirability of adhering as closely as possible to the English Act. It is as follows:—

We strongly approve of the desire which has been manifested to assimilate our law to the English Companies Act, 1908, and consider that, except in certain matters referred to later, the more nearly our law is made to resemble the English Act the greater will be the advantage, as the legal profession and the courts will then have the advantage of the English text books and decisions explaining and interpreting the law. This in our opinion will make for certainty, and we deprecate anything in the nature of trifling deviations from the English Act that will tend to have an opposite effect.

The English Companies Act is well known to the legal profession in Canada, and in many of the provinces its main provisions have already been adopted. The first English Act was adopted, I think, in 1844, and there have been several amending and consolidating Acts since then. The existing Act is known as the Companies Consolidated Act, 1908. It has been the subject of many dicta and decisions by the English courts, which are more or less known to the Canadian bar; therefore, as the resolution passed by the Chamber of Commerce of Victoria very properly sets forth, it is very much in the interest of the public that we take advantage of the experience with the English by adopting it here insofar as possible. The provinces of British Columbia, Alberta, Saskatchewan and Nova Scotia have the English Act in its main features. The other provinces have as well many features of the English Act, though in many important respects it has never been adopted. There is one distinction which I should like to explain to the House between the company Acts of several of the Canadian provinces and which have adopted the English Act in principle and the company law of other of the provinces and the Federal law as well, and that is in reference to incorporation. In some of the Canadian provinces the principle of incorporation by registration has been adopted. That is, applicants for incorporation as a company file a document with the proper officer setting forth the purposes or objects of the company and the capital of the company, which document is known as the memorandum of association. Concurrently with the filing of the memorandum of association they file what is known as the articles of association, and then the certificate of incorporation issues as a matter of course. The memorandum is, in fact, the constitution of the company and the articles of association are the by-laws of the company. The issuance of the certificate of incorporation is purely a ministerial Act. It issues to the incorporators as a matter of right, not as a matter of grace; it cannot be refused. I think that principle is sound, and, for the sake of uniformity, should be adopted in all the provinces of Canada. We should adopt that principle in the Canadian Companies' Act; we have not now any provision to that effect. In the provinces of Ontario, Quebec, New Brunswick and Manitoba and under the Canadian Companies' Act, we have incorporation by letters patent, so called. That is, the applicants petition a person or body designated by statute to be incorporated as a company under a stated name. It is known to lawyers as a common law corporation, and it has been decided by our courts that a company incorporated by letters patent has the capacity of a natural person. That is to say, a company incorporated in the province of Ontario under letters patent has greater capacity than a company incorporated in the province of British Columbia under the registration principle, or greater than a company incorporated in England under the English Companies' Act.

The distinction is one that has not heretofore been generally understood in Canada. In fact, it was only recently determined judicially that there existed between companies incorporated under letters patent and companies incorporated by registration, such a broad distinction as to their powers and capacities. The theory is that a company incorporated under letters patent derives its existence from the prerogative of the Sovereign, and not from any statute. In England many years ago companies could be created only by charter granted by the Sovereign. Gradually Parliament undertook to create corporations, but they did so, not under the common law, but by changing the law. There should not be in Canada any such thing as incorporation by letters patent. In a democratic country like this, it should be the natural and inherent right of any body of men to associate themselves together as an incorporation for private business; that right to incorporation should not be dependent upon the discretion or grace of any sovereign, government or minister. It is an unfortunate principle to have in our law, and I protest against a further continuance of the principle in the company law of this country, at least insofar as the Canada Companies Act is concerned. This distinction was given emphasis recently by virtue of a case which arose in the Yukon in connection with a company incorporated under letters patent in the province of Ontario for the purpose of carrying on a mining business. The company made

application for mining leases from the Yukon Council. Litigation arose by reason of the applcation, and the power of this company, provincially incorporated, to acquire a lease outside of the province of Ontario was questioned. The Canadian courts held that the company did not have the power to hold a license issued by any authority outside of the province of Ontario. The case went to the Privy Council, where it was held that the company, being a corporation created under letters patent, had wider powers than a company created under the registration system, and that therefore, being a common law corporation, it had the capacity of a natural person to receive licenses from the Yukon Council. Naturally this decision caused some consternation in Canada. If the decision is a good one—and I assume it is—a company incorporated by letters patent may, it is argued by some, carry on a business outside of the objects defined in its charter. Nothing is ultra vires of the company, and therefore the whole position of the bondholders and shareholders would be altogether changed if this extreme view of the law is correct. For the reasons I have already given; for the purpose of having uniformity of company legislation, I think it is desirable that incorporation under letters patent should be abandoned in the three or four provinces of Canada which still retain that principle, and particularly the Canada Companies Act, which is within our jurisdiction, should adopt the registration principle.

Mr. LEMIEUX: I understand that when incorporation under letters patent is asked for, at least in the province of Quebec, notices are published in the Official Gazette and in the press giving the purport and object of the company to be incorporated, and although the granting of letters patent is an old privilege of a king, as a matter of fact, letters patent are granted by the Secretary of State after the proposed incorporation has been considered by the Minister in Council, so that the public gets all the protection necessary, and it is not only according to the fiat of the King or the Lieutenant Governor for the King that letters patent are issued. The people are amply protected, it seems to me.

Mr. MACLEAN: If a company is incorporated by letters patent, the directors may exceed the powers granted by the patent and they may commit the shareholders to projects not contemplated in the charter and projects which the shareholders did not wish to embark upon.

Mr. LEMIEUX: When the Companies case went before the Privy Council, I think it was decided on a much broader basis than that. It seems to me that the Privy Council decided that certain companies incorporated by the provinces could have the whole Dominion as a domain.

Mr. MACLEAN: The Privy Council held that this company created under letters patent, issued by the Governor in Council of Ontario was a common law corporation and had all the rights of a natural person. That is, if the company had been created for the purpose of carrying on a mining business, they might, by virtue of the fact that their charter emanated from the representative of the Sovereign, go beyond their defined powers and commence, say an insurance business or any other business, that a natural person might engage in. That, perhaps, is rather an extreme interpretation of the decision but even in that case, we lack the legal machinery to prevent such a course, even if it was ultra vires of the company. It is true, as my hon. friend states, that in Quebec we see numerous lengthy advertisements in the newspapers, and in the Royal Canada Gazette, to the effect that certain individuals have been incorporated as a company, these advertisements setting forth as well the powers and objects of the companies. It is a most objectionable practise and means a great waste of money and of paper. It is something that we should have long ago been rid of. I understand that under the present Companies' Act of the province of Quebec, companies are permitted to publish an abridged advertisement. In respect of companies incorporated under the Canada Companies Act we solemnly go through the farce of compelling companies to publish in newspapers and in the Royal Gazette lengthy advertisements respecting their incorporation which accomplishes no useful purpose whatever.

This Bill provides for the adoption of the registration system and the abolition of the letters patent system. In that respect the Bill, the second reading of which I am now moving, is a departure from the present Companies' Act. I can hardly undertake to explain its further provisions, because it is a very lengthy Bill, and I am sure a detailed explanation on my part would not interest many members of the House.

It might be of some interest to members of the legal profession, but I am sure they do not now desire any lengthy explanation of the whole Bill. It is very important, I think, that we should have a new Dominion Companies Act. Our present Act was ill-conceived originally, and it has never been improved. It is hardly worthy of the name of a Companies Act. Structurally it is weak and incomplete, and it has not kept pace with the development of company law in this country. Company law, I think I may say with accuracy, is now one of the most important branches of our law. The greater volume of our business is done through the avenue of corporations, and without them we never could have reached our present stage of development. It would be impossible to mobilize money from all parts of the world for our purposes by means of unlimited corporations or partnerships, and it is inevitable that in the future the great proportion of our business will be conducted by and through corporations. In fact, it is the only proper method to conduct a business of any magnitude whatever. It is important therefore that we have a substantial body of statute law in respect to companies for the guidance of corporations and in order to safeguard the public. I have already stated that it should be the inherent right of men to become incorporated; for private purposes. There should be no such thing as solemnly presenting a petition praying the Governor in Council or any other body or person that certain persons may be incorporated as a company.

Mr. LEMIEUX: It is no protection to the public.

Mr. MACLEAN: None whatever, but the public should be protected in many other ways. The chief characteristic of a corporation is its limited liability, and for that reason we should take great care to safeguard the public against any fraud or abuse of the privilege of limited liability by corporations. Now, the present Canada Companies Act affords little protection to the public. I do not propose detaining the House to enumerate the many things which are lacking in this Act and which one would naturally expect to find there. For instance, there is nothing in the Act, I think, requiring the directors to call annually a meeting of shareholders. Nor is there anything corresponding to the clauses in the English Act relating to directors' liability, although most of the provinces have that provision.

The directors' liability clauses make directors liable for untrue statements in the prospectus. There are also provisions in the English Companies Act, and in most of the provincial Acts, relating to allotment of shares which we do not find in this Act. I do not think there is much that can be said in favour of the present Canada Companies Act, and it is very desirable it should be substituted by some other enactment which would be more in the interest of shareholders, the investing public and corporations themselves.

There is a feature which I should like to see introduced into our Act, and the only hope of getting it is from the Government. A great deal of doubt exists as to the capacity of a company provincially incorporated to carry on its business outside of the province in which it is incorporated. True there have been judicial decisions upon that point, but the public mind is very unsettled, with the result that most companies prefer a federal charter so as to escape the liability of an attack upon their powers to do extra-provincial business. I should like to see in the Canada Companies Act a provision making each province a separate district for federal purposes, and making the registrar of joint stock companies under the provincial Acts, a federal officer for the incorporation of companies under the federal Act. This would enable persons in the province of Nova Scotia or British Columbia say, to obtain a federal charter through the registrar of joint stock companies in their own province very quickly, The only difficulty would be as to the division of the fee for the incorporation between the province and the Dominion Government. There should be very little difficulty about that. I think in such matters the Government might treat the provinces generously, as doubtless the revenue derived from the incorporation of companies is an important matter to the provinces. I should like the Minister of Justice to take this matter into consideration and endeavour to make some arrangement with the several provinces by which companies can be incorporated at the capitals of the several provinces, the officer administering the provincial Companies' Act acting for the time being as a Federal officer. I think the provincial authorities would be disposed to assist in carrying out such an arrangement. I do not think I shall occupy the time of the House further. I would ask, in conclusion, that the Bill be referred to a select committee limited to, say, seven or nine members, and I trust that this sug-

gestion will meet with the approval of the Government.

Mr. COPP: Has this Bill reference to the incorporation of companies under provincial charters?

Mr. A. K. MACLEAN: No, it is purely a Federal Act.

Hon. C. J. DOHERTY: I have glanced through the Bill, but I am not in position to discuss its terms or provisions at this moment. I think it may be freely admitted that there is great room for improvement in our present Dominion companies' legislation. A Bill was prepared in the last session of the last Parliament, if my memory serves me right, and was sent to the Banking and Commerce Committee.

At all events, it did not become law. Since then it has been given consideration at different times, but this has never resulted in the production of a Bill. The source from which this Bill emanates, not only as coming from the hon. gentleman, but also as being the result of discussion of the Bar Association, would give us assurance that its provisions had been well considered, and so there is good reason to hope that these provisions, if embodied in law, would be in the interests of the country. As I said, I am not prepared to discuss the Bill this evening, nor do I desire to do so. With regard to the suggestion in favour of adopting the system of granting charters that is in use in England, I am not prepared to accept the proposition that it would be a very much better system for us than the present system of issuing charters by letters patent. On the other hand neither am I saying that it would not be an improvement. I would not care to commit myself on that proposition at this moment.

One argument used in support of the change is that everybody ought to be free, without being obliged to make a petition, and without being dependent upon the consent of the Crown or of any minister to become incorporated in accordance with the law. Though, as I understand, the present procedure involves a petition and the issuing of letters patent by the Secretary of State, yet any person who makes such a petition and conforms with the provisions of the statute is, as a matter of right and not as a matter of grace merely, entitled to the grant of his letters patent.

Mr. MACLEAN: If the Secretary of State refused, he would not be liable to mandamus by the court. But in the province of British Columbia, or in Nova Scotia, if the Registrar of Joint Stock Companies refused to issue a certificate of incorporation, he could be enjoined by the courts.

Mr. DOHERTY: Personally, I am inclined to agree with the hon. member that the Secretary of State would not be subject to mandamus. But I do not think that the proposition that he would not be so liable is quite as unquestioned as the hon. member seems to consider it. We had some discussion on that question, connected with the issue of some charters for racing associations. The question was debated in the last Parliament, when some question arose as to the action of the then Government upon the subject. I have a clear recollection that the Secretary of State of that day took the position that it was not a matter of discretion, but was a matter of right of the parties petitioning for the letters patent. I would not like to make this further affirmation as positively, but the impression that remained on my mind was that he even took the view that the Secretary of State might be liable to mandamus. I do know that the question arising again after this Government came into power—with regard also to the issuing of letters patent to incorporate racing associations—I, following in the footsteps of my predecessor, took the view that it was not a matter of discretion but was a matter of right. And I may say that for that reason, and that reason alone, I advised that certain petitions which were lying in the Secretary of State's Department, and had been lying there for a long time, should be granted; though simultaneously we introduced legislation to prevent such a thing happening again in regard to racing associations in the future. I am under the impression that decisions were submitted to me, that came from the Secretary of State's Department, going so far as to hold that a mandamus might issue to compel the performance of the duty—treating the duty of the Secretary of State as a purely ministerial function. As to that proposition, I should like to make my own reserve, because I think there is a distinction to be made, perhaps, between even the ministerial duty when performed by a person in the quality of Minister of the Crown and when performed as a ministerial duty by any other public servant. I am not saying that a mandamus could not issue, but I am inclined to agree with the hon. member, Mr. Maclean, that it could not. But, there is a difference of opinion, and, if my memory is correct, I was furnished with authority, though I do

not say that I was prepared to accept it, for the proposition that a mandamus might issue. However, I think we may anticipate that no Secretary of State will fail to perform the duty incumbent upon him in this matter. However, it is a legal question. Other methods could be found if it was thought desirable to make it quite clear that those who issue letters patent under the Companies' Acts enacted by the provinces or enacted by ourselves, would be governed absolutely by the statute and not entitled to fall back upon the, to my mind, not very clearly defined capacity that, in the case to which the hon. gentleman referred, it was held they derived from the fact that our system involves the issuing of letters patent. There was in the case the hon. gentleman referred to a question of provincial letters patent issued by the Lieutenant Governor of the province. It was contended that the Lieutenant Governor, being vested with the Crown's perogative in regard to the province, had powers not derived exclusively from the statute of the province, and not necessarily limited within the territorial boundaries of the province. If I correctly grasped the effect of the judgment when I had occasion to read it some time ago, and if my memory serves me, I did not quite apprehend that the judgment determined that the particular corporation thus authorized—in this case the Bonanza Mining Company—had power other than the power conferred upon it by its charter. I would not have been disposed to think as the hon. gentleman suggests, that the company being incorporated to carry on a mining business, might under the judgment, have carried on an insurance business.

Mr. MACLEAN: That is contended by some; but, of course, the view which the Minister of Justice is putting forward is held by others.

Mr. DOHERTY: I am not suggesting that my view should necessarily prevail, but I am trying to convey what I understood to be the effect of the judgment. I do not understand the effect to be that the corporation created by the province and under the provincial statute, though by letters patent issued by the Lieutenant Governor, would enjoy any power other than the letters patent themselves as authorized by the statute would confer. What I understood to have been held was that, in so far as the charter derived its effectiveness from being granted by the Lieutenant Governor in the exercise of the prerogative powers referred to, the created corporation became a person with the capacities of a natural person from which the conclusion was drawn, that that capacity as a person was not territorially limited, that the person that was so created under letters patent issued under the prerogative powers of the Crown was a person who might go to the Yukon, and, if, under the laws of the Yukon, or any other country or province that that person went into, those charged with the legislative power in that particular country chose to recognize him as an existing person and allow him to proceed to carry out his powers within their territory, he then could lawfully do so. I did not grasp the judgment as conveying the idea that the created corporation had more powers than its letters patent, or the statute under which they were issued, gave it, but merely as holding that its personal existence was not limited within the territorial boundary of the province in which it was created, and that therefore if it went out into another province, if that other province chose to permit, or not to interfere, it might proceed with the exercise of the powers that had been conferred upon it just as any corporation does that goes into a foreign country. All of our corporations, when they go into a foreign country, derive their existence from no legislative body or no authority which has power to confer upon them either existence or powers to be exercised within the foreign country, but under the ordinary principle of the comity of nations, a corporation, when it goes into a foreign country, is allowed, in the majority of cases, to carry on the business it was incorporated to carry on, but I doubt very much if it would be suggested that it could carry on a business for which it was never incorporated. However, it is perhaps not necessary to go into this discussion for the purpose of what I desire to say. I think we can all readily agree that there is room for improvement in our present company legislation and the source from which this proposition comes gives us reason to believe that it certainly calls for a great deal of consideration on our part. As regards the hon. gentleman's suggestion that this should go to a special committee, I would ask him whether he does not think it might be as advantageously dealt with by being referred to the committee on Banking and Commerce. I would not speak positively, but my impression is that when we dealt with the sub-

ject on a previous occasion, the Bill was referred to the committee on Banking and Commerce. I would suggest to the hon. gentleman that it cannot make any great difference because if the Bill went to the Banking and Commerce committee it might constitute another smaller committee to make a special study of the matter. If that were done we would have the advantage of a special study of the matter by a smaller committee and also the advantage of the examination of the whole question by the Banking and Commerce committee before it came back to this House. I do not want to be very insistent upon my suggestion but if it met with the approval of the hon. gentleman I think that would be as good a way as this bill could be dealt with.

Mr. A. K. MACLEAN: I hope the Minister of Justice will not insist upon the Banking and Commerce Committee. I do not know how that committee is constituted at the present time, but I think if this Bill is to be considered by a committee at all it should go before a select committee. It will require the almost constant work
9 pm. of a committee for more than a month, perhaps more than two months, to go over its provisions; in fact, I should not be surprised if the committee appointed were unable to report at this session. I think it would be unwise to place the Bill before a general committee; I think it really should go before a select committee and I hope the minister will agree to that.

Mr. DOHERTY: Perhaps we might allow the Bill to have its second reading with the understanding that, of course, we are not binding ourselves to anything in it and with the further understanding that it will be referred to a committee. Perhaps we can come to some arrangement as to what is the best way to deal with the matter.

Motion agreed to and Bill read the second time.

INSURANCE ACT AMENDMENT.

On the motion for the second reading of Bill No. 45, to amend the Insurance Act.

Mr. W. H. BENNETT (Simcoe): I would ask that the order be dropped, reserving the right to re-introduce the Bill. The terms of it are not in accordance with the wishes of the parties interested. I beg to move, therefore, that the order be discharged.

Motion agreed to and order discharged.

DOMINION LANDS ACT AMENDMENT.

On the motion for the second reading of Bill No. 12, to amend the Dominion Lands Act.

Mr. G. E. McCRANEY (Saskatoon): Mr. Speaker, I have been advised that as this Bill purports to deal with property belonging to the Crown, it will be necessary to have the approval of the Governor General. I ask your ruling on that point, and if your ruling is to the effect that the assent of the Governor General is necessary I will move for leave to withdraw the Bill.

Mr. SPEAKER: I think there is no question that the purpose of this Bill is to dispose of the property of the Crown. While it is perfectly competent for an hon. gentleman to introduce a Bill of this kind, and while there would be no objection to the Bill having its second reading, it cannot receive its third reading without the consent of the Crown. Unless that consent is forthcoming there is no object in proceeding further with the Bill.

Mr. McCRANEY: In pursuance of your ruling, Mr. Speaker, I move that leave be granted to withdraw the Bill.

Motion agreed to and Bill withdrawn.

THE SOLDIER SETTLEMENT BOARD.

On the motion of Hon. W. J. Roche, for the House to go into Committee to consider the following proposed resolution:

That it is expedient to establish a board, to be called "The Soldier Settlement Board," consisting of three commissioners, and to provide for salaries and expenses in connection therewith, and to empower the Minister of the Interior, at the request of the board, to reserve such Dominion lands as may be required, and upon the recommendation of the board, to grant a free entry for not more than one hundred and sixty acres of such reserved lands to any person who has served in the naval or military expeditionary forces of the United Kingdom or of any of the self-governing British dominions or colonies, and who has left the forces with an honourable record or who has been honourably discharged, and the widow of any such person who died on active service, subject to such conditions as in the opinion of the Governor in Council are necessary to secure the use of the land for the purpose for which it is granted; and further to provide that the board may loan, upon such terms and conditions as may be prescribed, to any such settler an amount not exceeding two thousand dollars for acquiring land for agricultural purposes, payment of encumbrances on lands used for agricultural purposes, improvement of agricultural lands, erection of farm buildings and purchase of stock, machinery and equipment, the money to be ex-

pended under the supervision of the board, and all expenditure made under the terms of this resolution to be paid out of such moneys as Parliament may appropriate for the purpose.

Hon. W. J. ROCHE (Minister of the Interior): I presume the House will expect some explanation in regard to this resolution, the subject matter of which, the members will agree, is of very great importance not only to the returned soldiers whom it is intended to benefit and assist, but also to the people of our country generally. Canada is essentially an agricultural country. We have millions of acres of unsettled and unproductive land and we require agricultural population in order to reap the benefit of our great agricultural resources. We have been holding out as an inducement to secure immigrants for our western lands a free grant of 160 acres of homestead land, together with an additional 160 acres as a pre-emption in what is known as the pre-emption district, namely, certain portions of Alberta and Saskatchewan, at $3 an acre, subject to specified settlement conditions. This has resulted in attracting to our western prairies tens of thousands of settlers who otherwise might not have located in Canada. They have come from almost every civilized country in the world from which we cared to receive immigrants. They have, with but very few exceptions, made good, law-abiding citizens and successful farmers. Fortunately for us, however, in this period of national crisis, we have had the preponderance of our population Canadian and British-born. It is therefore, in my opinion, of the greatest importance, not only from a sentimental but also from a national and economic standpoint, that we should maintain, to as great an extent as possible, the British element in our population. Those countries that have experienced great wars in years gone by have found that after the signing of peace a period of unrest has followed, which culminated finally in an emigration to a greater or lesser extent from these countries. Having this in view, the British Government, although most desirous to retain their own soldier population in their own country and with this object in view have in contemplation a land settlement policy of their own, are desirous, in order to retain the British population within the British Empire, of securing the co-operation of the overseas British Dominions. About one year ago, Sir Rider Haggard, in an honourary capacity, representing the Royal Colonial Institute visited the overseas Dominions for the purpose of seeing first-hand what facilities, if any, were to be afforded ex-service men of the British Isles for locating upon lands in the British Dominions; and while his mission was in no sense an official mission in so far as the Government was concerned, still it was undertaken with their knowledge and consent, and, personally, I am of the opinion that the report of his mission played at least some part in the calling of the recent Imperial conference wherein representatives of the various British Dominions and the Imperial Government conferred on questions of great Imperial importance, chief amongst which was emigration and the various policies for settlement of returned soldiers. After the Boer war, the usual period of unrest followed in England, which resulted in 1903 in 259,000 of her sons locating in other lands. Of this number 123,000 located in the United States of America and were lost to the Empire. When the bugle call resounded throughout the Empire after the outbreak of the present war summoning her sons to the defence of those principles for which the British Empire stood, a comparatively small percentage of those so alienated responded to the call. And why? Because they had lost, in the meantime, their British citizenship, because another country had claimed them, because they had entered into large business engagements and contracted family ties with those of a country other than their own, and so had lost either the inclination or the ability to do battle on behalf of the country of their birth. How different it was with those who had located in the British Dominions, in Canada, Australia, New Zealand, and the other British possessions! The splendid response made by Canada, especially in the earlier stages of the war, was largely attributable to the British element of our population, and so it was in the other British Dominions. While we all earnestly hope and pray that this may be the last great war in which our Empire will be engaged—and this one has been thrust upon it—still we must realize that, so long as selfishness and misguided ambitions direct men's actions, so long as world-domination and conquest are the guiding principles of the life of any nation, so long as the pernicious doctrine that might is right is inculcated into any considerable number of people having both the inclination and power to enforce that doctrine, so long must we look for disturbances of the world's peace, in which, perchance, our

Empire may be involved in defence of its national honour. It, therefore, becomes the part of British statesmen, using the term British in the widest sense, to do our utmost, in order to provide against a recurrence of a possible contingency of this kind, to retain our own British population within the confines of the British Empire.

As to the best methods to adopt in locating our own Canadian soldiers on our lands—and this, of course, should be our first duty—there undoubtedly is a great diversity and an honest difference of opinion.

Having had the benefit of the views of some of the representatives of the various provincial governments who were assembled at Ottawa in a conference at the invitation of the Prime Minister of this country some few months ago, having a knowledge of the ideas of these gentlemen, having learned of the legislation that has been adopted by some of the provinces regarding the location of returned soldiers and the contemplated legislation on the part of others, the policy decided upon by this Government is, in concrete form, before the House in this resolution, which will be further elaborated in the Bill to be founded on it.

But, before going into the explanation, permit me briefly to refer to some of the legislation, and some of the policies that have been adopted by other British Dominions.

In the session of 1915 the Legislature of New Zealand passed an Act which was confined solely to the locating of New Zealand soldiers who, resident in New Zealand at the outbreak of war, enlisted in the New Zealand Expeditionary Force. In the session of 1916 that Act was amended and widened so as to include those who, resident in New Zealand at the outbreak of war, enlisted in the British Expeditionary Force. It did not go as far as our contemplated legislation, which includes the forces of the whole British Empire. Their legislation provided that the Act should be administered by a Land Board, the regulations recommended by which should be approved by the Minister of Lands. It is estimated that in New Zealand they have about 500,000 acres of lands available, or which may be made available by the expenditure of a certain amount of money, for the locating of returned soldiers. This land is to be disposed of by two methods, not, as in our contemplated legislation, by a free land grant, but by a long term lease or by a sale. If a soldier in New Zealand, under their legislation, desires to secure his land by leasehold, he may do so by paying as a rental 4½ per cent of the total cost of the land as estimated by the Land Board. Should he desire to buy the land, he may do so by paying as a first payment 5 per cent of the total cost of the land, the balance of the payments to be spread over a term of years to be determined in each case by the Land Board, the unpaid balances to bear a rate of interest of five per cent per annum. There does not seem to have been any discrimination in the legislation of New Zealand as between the experienced and the inexperienced farmer, and no provision is made for giving agricultural education to the inexperienced farmer. While not at all desirous of criticising adversely the legislation of a sister dominion, I would go so far as to say that were we to introduce legislation by means of which we should grant money, $1,500, $2,000, $2,500, or whatever it might be, to an absolutely green hand and put him on the land, we should be courting disaster and wasting public money. This, then, is the manner in which the returned soldier secures land under the New Zealand legislation: either by lease or by purchase. But their legislation provides for financial assistance by way of loan not to exceed in any one case £500. This money advance, in the words of the statute, is to bear a reasonable rate of interest to be decided by the Minister of Lands. It is for the purpose of providing equipment and improvements on the farm, and the soldier who purchases stock and implements will give as collateral security a bill of sale upon the stock or implements. Briefly, this is the legislation that has been enacted by New Zealand, the administration of which, as I say, is to be under a set of regulations.

Australia also has had in contemplation a land settlement policy for returned soldiers. In February, 1916, a conference was held at the city of Melbourne which lasted two days, in which all phases of the land settlement policy of returned soldiers were discussed. It was participated in by representatives of the various state governments and of the Commonwealth Government. They passed a series of resolutions setting forth the views of that conference and these resolutions became the basis of a subsequent conference which has recently been held, at which the state governments

were represented by their premiers and the Commonwealth Government by the Prime Minister, the Prime Minister of the Commonwealth Government having been in England at the time of the first conference. In effect, they practically adopted the resolutions of the first conference with but comparatively slight changes. The House is aware that the Commonwealth Government of Australia does not own the public lands, except some land in the northern country which is unsuitable for agriculture. The land is in the ownership of the various state governments, and while at that conference it was admitted on the part of the representatives of the state governments that there would be a very great advantage in having the whole question of the location of returned soldiers dealt with by one central government, still, so jealous were they of their state jurisdiction that they would not hand over their lands to the Commonwealth Government, even for this laudable purpose. It was recognized, however, that inasmuch as it would take a considerable amount of money to finance this enterprise —and they expected a considerable percentage of their soldiers to locate on the lands— —and inasmuch as the Commonwealth Government could go into the money markets of the world and borrow money at a lower rate of interest than could the State Governments, it was decided that the State Governments would supply the land, not as our legislation provides, by way of free land grant, but, under their local state land laws, by lease or by sale, and that the Commonwealth Government would supply the money. The Commonwealth Government lends the money to the State Governments and the State Governments, in turn, lend to the returned soldier to enable him to purchase stock and implements, the amount, as in the New Zealand legislation, not to exceed, in any one case £500. This money is to bear a rate of interest for the first year of 3½ per cent, rising by one-half per cent per annum until the cost price of the money has been reached, plus a reasonable amount for working expenses. The difference in the rate of interest—that is, the difference between the rate paid by the returned soldier and the rate paid by the State Government—is to be borne equally by the Commonwealth and the various State Governments. Agricultural instruction is provided under the policy settled upon by Australia, by two methods. The State Governments are to supply agricultural farms, where agricultural instruction may be received. These farms are to be subsidized, pound for pound, by the Commonwealth and the State Governments, and the soldier can receive, if he so chooses, his agricultural training on these agricultural farms, or he may receive his instruction on private farms approved by the State Governments. The policy decided upon by the Commonwealth Government of Australia provides, also, that similar assistance shall be granted to ex-service men of the British army. That goes a little further than the legislation of New Zealand, but not so far as our legislation, which includes the forces of the whole British Empire. This policy of the Commonwealth Government is to be administered by a Land Board, the personnel of which is to be composed of a representative from each of the State Governments and a representative from the Commonwealth Government. This, in short, is the policy which has been decided upon in Australia.

After the South African war we in Canada adopted the policy of issuing scrip to our returned soldiers to the amount of 320 acres to each soldier. Scrip certificates were issued to 7,340 soldiers, and of this number only 657 personally made entry for the land. It is a well known fact that a considerable percentage of this number did not remain permanently upon the land. The scrip was transferable; it became a matter of speculation; indeed, it largely fell into the hands of speculators. To put it mildly, the policy was not a success in placing the soldiers upon the land and keeping them there.

In the light of that experience I venture to say that there could not be found to-day members of any government who would ask a Canadian Parliament for a repetition of that form of recognition for our returned soldiers. In my opinion we can merely speculate as to the number of soldiers whom we may secure, even with the greatest inducements, to locate upon the land. We are informed, on the one hand, by those whose opinions are entitled to every consideration, that a great many returned soldiers who have followed indoor occupations, such as working in shops and factories and clerking in stores, will since their enlistment have become so enamoured of an outdoor life, and will have derived such physical benefits therefrom, that they will not care to return either to their former indoor or to similar occupations. This looks all right in theory, but how it will work out in practice is another matter. We are not in a position to make even an approximate estimate as to the number of those who will locate upon the land. On the other hand,

we are informed by those whose opinions are also entitled to every consideration, even including some of the Returned Soldiers Associations that have been organized for the purpose of caring for our returned soldiers, that their experience thus far would lead them to believe that not only comparatively few of the soldiers who were never upon the land before would be induced to locate upon the land, but that many of those who were employed on the land prior to enlistment were determined not to return to the land—to use their own expressive words: the white lights are good enough for them.

However, we may differ upon this question, there is one point upon which we will all agree, and that is that of all the races of this globe, the Anglo-Saxon is the least amenable to supervision and State dictation, and possibly for this very reason our efforts in locating returned soldiers may not be as thorough and complete as those of other countries where the ideas of personal freedom are not so deeply engrained. With us, the returned soldier will himself largely decide the nature of his avocation in life, a State predilection that he should locate upon the land can be forwarded only by whatever educational propaganda we may be able to conduct, setting forth the advantages of an agricultural life, together with such financial and other assistance as we may be prepared to hold out to him.

At present we are protecting the homesteader, who has gone forth to fight the battle of the Empire, against cancellation of his homestead entry during the period of enlistment and for three months after he shall have received his discharge. We also allow to count on his homestead residence the time he has put in on active service. In the unfortunate cases where soldiers may not return by reason of being killed in battle, we, upon proof of death being furnished, at once issue patent to the legal representatives without requiring the performance of settlement duties. Similar concession is held out to the man who is disabled; he also will have his patent issued without the performance of further duties. The legislation contemplated by this resolution has in it three distinctive features: first, the setting aside of Dominion lands in such areas and in such localities as will be recommended by a board of commissioners that will be constituted for the purpose of administering this measure; secondly, the providing of agricultural instruction, by way of the different methods set forth in the Bill which will be founded upon this resolution, to the inexperienced soldier prior to his entry upon the land; thirdly, the providing of financial assistance by way of loans to those who are recommended by the board of commissioners as being possessed of the requisite skill in agriculture to give promise of a fair measure of success. These are the three features of our legislation which will be further elaborated in the Bill to be introduced.

The members of the House are aware that, with the exception of the Prairie Provinces of the West, the Crown lands of Canada are in the ownership of the various provinces. Those provinces have already enacted land settlement policies of their own, some with special reference to the returned soldiers, others with the idea of giving preferential treatment to the returned soldiers. We have considered it advisable, in connection with our legislation, to leave entirely in the hands of those provinces who own their own lands the disposition of their lands by whatever method each province in its wisdom decides upon, and we are confining our legislation, in so far as setting aside land is concerned, to Dominion lands under the jurisdiction of this Government, namely in the provinces of Manitoba, Saskatchewan and Alberta. Financial assistance to the extent of $2,000, bearing 5 per cent interest per annum for the purpose of providing equipment and making improvements will be granted, not only to the returned soldier who locates on our Dominion land in the Prairie Provinces, but to the returned soldier who desires to locate upon lands other than Dominion lands whether in the Prairie Provinces or in any other province of the Dominion. Thus the soldier who has a little capital of his own, who decides to locate on land which he desires to purchase, will be granted financial assistance to the extent of $2,000, bearing interest of 5 per cent per annum, not only for the purpose of providing equipment and making improvements but to assist him in the purchase of the land.

This is in the main the outline of our legislation, and I am sure the Minister of Agriculture, whose department is also interested in this Bill inasmuch as it provides the agricultural training, together with the Minister of Finance, whose department is interested in providing the wherewithal to make the loans, will be only too pleased, in conjunction with myself, to enter into more

elaborate explanations as to the various matters set forth in the Bill.

This legislation is not intended in any manner whatever as a substitute for any other form of recognition which may now or hereafter be extended to the returned soldiers; it is simply and solely designed to assist the soldier in locating upon the land and help him after he has done so. It has a two-fold object—to assist the returned soldier and to increase agricultural production. The members of the House are quite well aware that in almost every civilized country in the globe the trend of population for many years past has been to the large towns and cities, and I am sure we are all desirous of doing our utmost, so far as is possible by legislation, to stop that trend city-ward and to direct the flow of our population to the land in order to ensure greater production. If this legislation shall have the effect of attracting back to the land those soldiers, not only of Canada but of the rest of the British Empire, who originally came from the land, and of encouraging a great many of those others who have never had any agricultural experience to take the desired instruction and to locate upon the land, our object will have been attained. This legislation is not meant as an adequate reward to our brave lads who have so bravely acquitted themselves in the trenches at the front.

We realize that nothing this Parliament can do, whether by way of land grant or by financial assistance, adequately compensates those brave lads of ours who have gone from our country and who have been subjected to such terrible hardships. They have acquitted themselves in a manner that has won the admiration of the world. They have gone to the front and done their duty like men, and this offer is meant as some recognition on the part of a grateful country by way of preferential treatment such as has not been held out before to other settlers. If by offering this assistance we can place the soldiers upon the soil and increase our production we shall have accomplished what we have in view. This proposal is not presented as a model of perfection. It is a complicated question, and I have no doubt whatever that sentiment will play a very large part in a discussion of this kind, and very properly so. At the same time, there is a business side to it, and it is our desire to do our utmost to place the soldier in a position where he may help himself. I submit the legislation therefore, in this form to the House with the desire of getting the views of hon. gentlemen when we reach the committee stage, and I am sure the Government will be only too pleased to receive any suggestions, and possibly amendments.

Mr. GERMAN: I see that it is proposed to grant a free entry of not more than 160 acres to the soldiers. Is it proposed to grant this land without settlement duties?

Mr. ROCHE: Oh no, not at all.

Mr. GERMAN: What more are you offering to the soldiers then, than to an ordinary settler.

Mr. ROCHE: We are granting them financial assistance.

Mr. GERMAN: That is another thing. But so far as free entry goes, any person can enter for 160 acres and obtain his patent by doing settlement duties. I wanted to know if settlement duties would be dispensed with in the case of a soldier.

Mr. ROCHE: I forgot to say that it is the intention of the Government to have the administration of this Act placed under a commission, which will recommend a set of regulations to be approved by the Governor in Council. We do not think it would be wise to burden the Act with a lot of details, which experience might show the wisdom of changing from time to time. We think the personnel of this commission a very important consideration in the administration of this Act. The commissioners should be big men of great experience, who will command the confidence of the people of this country. They will draw up a set of regulations to be approved by the Governor in Council, by means of which the Act will be administered. The soldier gets an entry for 160 acres of Government land if he so desires.

Mr. GERMAN: But he can get that now.

Mr. ROCHE: Yes. Does the hon. gentleman mean to say we should charge him for it?

Mr. GERMAN: No, no. I wanted to find out what the minister is offering the soldier more than he is offering to any other person.

Mr. ROCHE: We are advancing him $2,000 at a very low rate of interest to carry on his farming operations.

Mr. GERMAN: As regards entry, the soldier has no advantage over any one else.

Mr. ROCHE :We could not be more generous than giving him the land for nothing.

Sir WILFRID LAURIER: This is very important legislation, and I would suggest, and I suppose my hon. friend will have no objection, that we do not go into the details to-night. Apart from the loan of money which is contemplated, the Government, as my hon. friend for Welland suggests, is offering nothing more to the soldier than to anyone else who wants to become a settler. I certainly do not quarrel with that. I think it should be well understood that no grants should be made to a returned soldier or anyone else except upon the condition that he becomes an actual settler. I would suggest to my hon. friend, if he will allow me, that he have a map prepared of the land now available for settlement. It is very important to know where these lands are situated. As my hon. friend has stated, they can only be in the three prairie provinces, and my impression is that at the present time we have very little left of Government homestead land. There is a great deal of land still in the hands of private people, but of the land which belongs to the Government and is fit for settlement, my impression is that the acreage is very, very limited indeed. It will be interesting to know just how much there is of this land available for settlement. When I speak of prairie lands I do not apprehend that at the present stage of development in Canada we can expect any returned soldier to go into the bush and clear land there. We must expect that he will want prairie land. I think it is advisable that we should also know the distance these lands are from railways. It would not be fair to offer land beyond a certain radius from the railways to any soldier for settlement. Perhaps it is contemplated that there are some lands which, while not actually prairie lands, might still be made available for agriculture with very little labour. I wish my hon. friend would also have prepared a map of such lands to be laid on the table of the House, and with this information before us we shall certainly be very happy to give his Bill our best consideration. I understand from what my hon. friend says that he proposes nothing new beyond the loan of money.

Mr. ROCHE: And agricultural training for the inexperienced.

Sir WILFRID LAURIER: I do not understand exactly what is meant by that.

Mr. ROCHE: Similar training to what they are providing in Australia. We will have some agriculture training farms for the inexperienced soldiers who desire to receive agriculture instruction before locating on their holdings, or the instruction may be given on a private farm.

Sir WILFRID LAURIER: That would be just as available to the ordinary homesteader as to the returned soldier, but that is a feature we can very well discuss at a later stage. Do I understand that the loan of money applies exclusively to the returned soldier?

Mr. ROCHE: Yes. I may say that I have already prepared a map such as my right hon. friend has asked for, and I meant to place it on the Table at the Committee stage. It shows the lands available for settlement within ten, fifteen and twenty miles of a railroad.

Mr. BUCHANAN: I would like to point out that it is very important to know whether it is the intention to locate the soldiers on Dominion land. At the present time we have a serious railway problem to solve, and if we put the soldiers who are desirous of availing themselves of this proposition on Dominion lands, we shall be forced to place them on lands at a great distance from railways. Then they will demand railway service, and we will be compelled to build new railway lines to meet their needs. At the present time there are very few, if any, Dominion lands available close to railroads, but there are lands occupied on lease and used as Indian reserves that would suit this particular purpose if these lands could be exchanged for Dominion lands further away from a railway. I know that in the southern part of Alberta some of the most desirable land is held as Indian reserves and on lease. I want to see the Indians treated fairly, but in nearly every case these reserves are far too large for the number of Indians now occupying them. In fact they are using hardly any of this land for agricultural or grazing purposes. In some cases the lands are leased to ranchers and others for grazing purposes. But if we want to attract the soldiers to the land, the farms they are going to occupy should be convenient to the railroad and to market facilities and as well settled as possible, and we cannot offer them what are known at present as Dominion lands. I do not know of very desirable Dominion lands in any part of Alberta, except the extreme northern part. True, railroads are going in there at the present time. But in the other parts of Alberta—and I assume

that the same is true of Saskatchewan and Manitoba—there are no desirable Dominion lands suited for this purpose and close to a railway. We want to make this proposition beneficial to the soldier. We want to attract to the land the soldier who either has had experience as a farmer or is earnest in his desire to become a farmer. We want to put on the land men who intend to till the soil and remain upon the soil, and in order to do that, we must make the proposition as attractive as possible. I would ask the minister, if he has the information available, what land he has in view for this particular purpose, and what distance it is from a railway. I think the information is very important at this stage.

Mr. ROCHE: I told the right hon. leader of the Opposition (Sir Wilfrid Laurier) that when we got into committee I would provide a map showing where the land is located, and this will show also the distance from a railway. Of course, the proposition the hon. gentleman (Mr. Buchanan) makes would involve purchasing Indian lands. I do not suppose he proposes that we should do that. If we did it in the western provinces, the other provinces would have as good a claim that it should be done in their case.

Mr. G. E. McCRANEY (Saskatoon): We have had experience in dealing with soldiers and putting them upon Dominion land. We have issued scrip to them and have had in view the rewarding of the soldiers rather than the encouragement of agriculture and fitting the returned soldier to be an efficient farmer. The very fact that the minister is able to tell us that of the locations under the provisions for South African scrip, numbering 7,240, only 657 were located by soldiers themselves on the land, and of these some have not completed their term of residence, shows to what a small degree the plan effected the purpose for which it was made. After the South African war we believed that we had unlimited land, and that consequently we could give to each of our returned soldiers script for as much as 320 acres. It has already been pointed out on this side of the House that there is not now any great quantity of land available for such a purpose as this. We cannot have our cake and eat it, too; we cannot have given thousands of acres under South African script and still have great quantities of good land available for those returning from this war. I am glad to have the minister state that in his conception of this legislation it is not looked upon as a reward to the soldier but as a plan for making soldiers into efficient agriculturists. In addition to giving assistance to those who may go upon the land under the provisions of this legislation, the minister will also find, I think, that it will be necessary to give financial assistance to those homesteaders who, in 1914, left the land to join the overseas forces and have since returned to Canada. Perhaps the minister's attention has been drawn to the case of Private Baldwin, of Saskatoon, who, at the outbreak of the war, left his homestead, N.E.¼, section 17, township 34, range 14 west of the 3rd meridian. He comes back, and has no means of carrying on agriculture—the year 1914 was a year of no crop in that locality. He will need assistance on the land he has homesteaded just as much as will the men whom the minister puts on the land under the provisions of this measure. It is said that the experience is that war is so unsettling that, instead of returned soldiers wanting to go on the land, they are more likely to desire to congregate in the cities. And while it is desirable to make the most generous provisions for the settlement of returned soldiers on the land, it is my own view that not much advantage will be taken of this plan. Perhaps the minister has already in his mind the names of the commissioners whom he will recommend to administer this law. I only want to say to him that in the administration of laws of this kind commissioners are required with the most outstanding reputation for probity and judgment. The ordinary man will not do, for one of the most important requirements for the administration of this Act is public confidence. I urge this upon the minister, because so often in matters of this sort, the importunate party man who may know something about land will endeavour to secure the appointment; and the minister is going to make trouble for himself and for any Government that may succeed him, unless he has the strongest kind of commissioners to administer the law.

Mr. W. M. GERMAN (Welland): I give this Government every credit for their desire to work out the resolutions now before the House. But the minister has admitted that nothing in the way of a land grant will be made to the soldier under the provisions of the Act to be introduced in pursuance of this resolution other than what any one else can get. The soldier must do his settlement duty. Any individual, soldier or civilian, can go into the Northwest

and take up his 160 acres of land and get free entry by doing the settlement duties prescribed by the statute. The soldier gets no advantage in that. The minister says: We are making provision to lend each soldier $2,000. That is the only difference, as I understand it, between the soldier and any other individual. The soldier is to have the advantage of a loan made to him under the provisions of this Act and under the supervision of the commissioners to be appointed under it, the sum not to exceed $2,000, and instructions in agriculture, which will be open to any one, as the leader of the Opposition has already stated. The only advantage that the soldier is to get will be the advance to him of $2,000. The minister says that this provision is being made not as a reward to the soldier but in the interest of settlement.

Mr. ROCHE: I said it was made for both purposes.

Mr. GERMAN: Very well; if it is in the interest of settlement, why is not provision made for an advance of $2,000 to any other person in addition to free entry to 160 acres of land? Why confine it to the soldier? If you appoint your commissioners and say: We will grant free entry to 160 acres of land to any person who will go and work that 160 acres, you will not be giving the soldier any advantage over any other person. We want to get soldiers and others. Then, why not make this further provision in order to induce settlement, in order to bring people here, soldiers or others, soldiers preferably if we can get them, but any other good, honest, intelligent working men who want to take up land, that they may have free entry to 160 acres of land? Say to them: Perform your settlement duties and you will obtain your grant and, further, we will lend you $2,000. Why confine it to soldiers if it is to be an act to increase population and to bring in settlers? It is not granted as a reward if I understand the minister right. It is not being suggested as a reward. It is being suggested—to help the soldier? Very well, we all agree with that. But, it is not being suggested as a reward. It is being suggested as an inducement to settlement. If it is an inducement to settlement, make it world wide. Give the $2,000, under proper restrictions, under the supervision of the commission you are going to appoint. Appoint men such as the hon. member for Saskatoon (Mr. McCraney) has suggested, who are intelligent and proper men to administer such a law, and make a provision allowing $2,000 to every person in this country, unless you are going to limit it simply to soldiers. I would not say that there is an ulterior motive in this.

Mr. ROCHE: Then the hon. gentleman is not in favour of giving the soldier preferential treatment?

Mr. GERMAN: I am absolutely in favour of giving the soldier preferential treatment but the minister is not proposing to give this preferential treatment. He is saying this is not preferential treatment; he has already stated that. The minister has already stated that this is not preferential treatment but that it is to encourage settlement. If it is to encourage settlement, make it world wide, make it for settlement and not for soldiers. If it is for soldiers, give the soldier 160 acres of land without settlement duties. Then you are faced with the question that the minister referred to in connection with the South African scrip. The land may be sold next day after the beneficiary obtains the scrip. It must be put upon a business basis if it is to be made effective. I will support the minister in every effort he can make to bring about, not only greater settlement in the Northwest, but to confer a real advantage on the returned soldier. But let us have it on a business basis and let us put it in such a way that it will be effective and immediately available to the soldier upon his return.

10 p.m.

Hon. RODOLPHE LEMIEUX: Mr. Speaker, I do not wish to discuss this resolution at any length. I must, however, congratulate my hon. friend the Minister of the Interior (Mr. Roche) on the measure which he intends to introduce, with a view, as he says, of giving the soldier a preference. I much prefer this legislation to the proposed land scheme which was launched in England, and which has been so much advertised in the press of late. Although the names in connection with that scheme were big names, I think there was too much speculation in it, and I am, therefore, very much pleased to see that this legislation is introduced. When my hon. friend gave notice of this legislation some time ago I asked him if it would apply to Canadian soldiers. He answered that it would apply to all of the soldiers who had served the King within the British Empire. So far so good. As my hon. friend has stated, this legislation has for its object primarily the settlement of the lands in the West, and as after this war Canada will need a very pro-

gressive policy of settlement in order to get not only the production that we need, but the population and the revenue which that population will bring to the Federal exchequer to pay the immense war debt which will have accumulated meanwhile, why not provide that this legislation shall apply to soldiers of the Allies as well as to soldiers who served under His Majesty the King? I would apply this legislation to soldiers of the Allies who have taken part in the war from the first and who wish to come as settlers to Canada. I know that the Department of the Interior would refuse to admit a certain class of settlers, but there is no objection to applying this legislation to the French, Belgian, or Russian soldier. Already we have a large number of Russians in the West. It seems to me that a policy for the settlement of the West is the foremost policy for Canada, and as we will require large revenues from that population after the war in order to pay our war debt, to pay for the sinking fund and for the pensions for our soldiers, if we wish to attract a large immigration to our western provinces we should, perhaps, enlarge the provisions of this Bill. I am only throwing this out as a suggestion, and I am sincere in making the suggestion.

Mr. DOUGLAS: Does this legislation permit of a second entry homestead?

Mr. ROCHE: It will not interfere with a man's homestead rights at all. If a man has a homestead he can come forward and get another 160 acres under this proposed legislation.

Mr. ROSS: A great deal of expense will be entailed by the education of soldiers for agricultural purposes. Could the minister give some details as to how the soldiers will be educated, whether by the Military Hospitals Commission or the Federal Government?

Mr. ROCHE: It will be done under a series of regulations which will be recommended by the Board of Agriculture. The training farms and instruction will be provided by the Department of Agriculture. But those details I have not included even in the Bill to be founded on the resolution. The operation of the Act is to be under a set of regulations, and I was leaving that in the hands of the commission itself.

On the motion of Hon. Mr. Roche, the debate was adjourned.

SUPPLY.

The House in Committee of Supply, Mr. Blain in the Chair.

[Mr. Lemieux.]

Industrial Disputes Investigation Act $25,000.

Mr. McCRANEY: In December last I wished to obtain some information with regard to the operation of the Industrial Disputes Investigation Act and I sent a wire addressed to Mr. Ackland, the Deputy Minister of Labour, who was at that time in the Old Country. I received a reply signed by Mr. Gerald H. Brown, who was then Acting Deputy Minister of Labour. That reply was as follows:

> There have been in all 215 applications received for boards under the Industrial Disputes Act since its enactment in March, 1907. The records show strikes were avoided or ended in all but 21 cases. In many of these last named cases ultimate settlement was on basis of board report. Thirty-two cases in all were settled without boards being established. Total number of employees affected by board applications was approximately 350,000. Nineteen applications were received from employers and 193 from employees, and 3 from both employers and employees.

Having that before me, I heard some discussions with regard to the Industrial Disputes Investigation Act, and in meeting labour men I found, what will not surprise the minister, that his department is not a favourite with the labour organizations of Canada. There has been growing for some time a restlessness on the part of labour men ever the Industrial Disputes Investigation Act. Labour Congresses have passed resolutions in condemnation of it; labour men speak strongly against it, and it is worth our while to devote some attention to examining why this should be.

When the measure was introduced in this House, it was claimed to be one likely to settle labour difficulties in Canada, as it was based on the principles which underlay the Hague Conventions, which it was hoped would ensure the peace of the nations. There are some causes which surely can be remedied, when, after the experience of ten years, we find restlessness instead of satisfaction. I had my friend from Rouville (Mr. Lemieux) ask the minister on Friday night how the cases in which the award was not accepted were made up, how many cases were refused by employers and how many by employees. I have myself gone through the reports, and while Mr. Brown, in his wire to me speaks of 21, I find 20. I have missed one in some way, and that is why I should like to have the figures from the department, because in going through a report unquestionably their knowledge of these events would enable them to speak with more certainty than I could.

I have analysed them in this way, that there are seven cases in which there were

strikes and in which the employees refused to accept the report of the board appointed under the Act, but later settlement was made on the basis of the report. Those cases were as follows: Cumberland Railway and Coal Company, 1907, two strikes; Canadian Pacific railway trades, May, 1908; British Columbia Copper Company, March, 1910, two strikes; Canadian Northern Railway carmen; Alberta Coal Mining Company. In these seven cases the Act was effective, because, while it did not avert a strike at the time, it outlined a settlement, and the settlement adopted was on the lines of the board's report. There were six cases in which the employees refused to accept the report and in which the report was not followed in the ultimate settlement between the employers and employees. These cases were: Dominion Coal Company, strike of 1909; Cumberland Railway and Coal Company, 1909; Winnipeg Electric Railway Company, 1910; Hudson Bay Mining Company, 1911; McEnany Mines, Limited, 1912; Canadian Northern Railway Coal & Ore Dock Company, Limited, 1912. In the following six cases the employers refused to accept the report: Western Coal Operators Association, June, 1909; Grand Trunk Railway Company, June, 1910; Grand Trunk Pacific Railway Company, October, 1911, Britannia Mining and Smelting Company, September, 1912; St. John Railway Company, July, 1914; Toronto Hydro-Electric Commission, November, 1915. I ran across one case in which the report was not accepted by either employer or employees: The Nicola Valley Coal & Coke Company, May, 1909. I have now accounted for twenty cases out of twenty-one referred to in the telegram. I find that of the strikes in which the men refused to accept the report, there were nine prior to 1911, and four subsequent to 1911, and of the cases in which the reports were not accepted by the employers, there was one before 1911, and five after, including the year 1911. As the men got to understand the Act better, they accepted the reports of the boards, and as the employers got to understand the Act better, they declined to accept the reports of the boards. In the figures which I have given, the minister will find reason for some of the dissatisfaction with which the men regard the administration of the Act. They see that in the early part of the administration of the Act they did make their mistakes, but of late they have been accepting the decisions of the board. The employers, however, have declined to accept the decisions, and that gives rise to a feeling of dissatisfaction on their part which it is desirable that Parliament should seek some means of remedying. We can not judge as to the rights and wrongs of these matters. The virtue of the Act is that it is not compulsory, and because it is not compulsory neither party to an award is bound to accept it. But, as that is the virtue of the Act, it devolves upon each party to the disagreement and upon the department which administers the Act to see that in every possible case the award should be accepted, even though at a loss to an accepting party and even though there may not be complete satisfaction with the award. I am not surprised that a number of men who are engaged as coal miners—most of the trades effected are coal mining trades—should not accept the award of the board of investigation. The mining trade has been very largely recruited from the foreign element which comes into the country and takes that form of labour which is among the most difficult and which our own people do not care to perform. If these men appreciate more than they seem to appreciate the value of the legislation, they would hesitate in rejecting the awards. On the other hand, one wonders that the employers, who are the owners of property which has the protection of law and who ought to be more intelligent than the men whom they employ, do not give the Act more support than they do, and that they put its future in jeopardy by making it a matter of uncertainty to submit controversies between employers and employees to the decision of boards of investigation. I am not suggesting any remedy by way of legislation. I think that the Act goes about as far as it can in showing the way of good-will and common sense between employer and employees. Although amendments could, perhaps, be made which would make the Act more workable, I do not think that the underlying principles of the Act could be improved by legislation. I hesitate very much to say that the Act should be repealed. I want to support the Act, as we support the wider efforts that are made to bring about peace among nations. Strikes and lock-outs are methods of war; we want to bring about methods of peace. The men are not satisfied that in every case the department is acting impartially between themselves and their employers. The Thetford case was discussed here on Friday

night, and while perhaps in the interpretation of the strict law the minister may be correct that he need not interfere in that case, we are not interpreting the strict law in working out conditions of industrial peace. The men feel that the minister could give more sympathetic support to their request in such a case as that. I know they say that when the minister has to choose the third member of a board, he chooses a friend who is more likely to be in sympathy with the employer than with the employees.

Mr. CROTHERS: What class of men have you received this information from—the miners out West?

Mr. McCRANEY: No, not miners. My information was very largely obtained at an open meeting of the Trades and Labour Council at Saskatoon where the largest number of those present were railway men. That is the impression I gathered from those who are in touch with all labour matters. I have not discussed this question with miners, because I have not been brought into contact with them, but I have endeavoured to give to the minister the result of my observations in order, if possible, to impress upon him and his department the necessity of throwing the whole moral force of this Government behind an award when it is made.

Mr. CROTHERS: Behind what?

Mr. McCRANEY: Behind the report of the board appointed under the Act. Perhaps that is not possible, but I think a strong minister in a strong government could do a great deal more than has been done, could procure an acceptance of an award, and, especially when we find that the refusals to accept awards have of late been coming rather from the employers than from the employees; I think such a minister could use with the employers a much greater influence than he might be expected to use in dealing with employees with whom he might not get so closely in touch. I submit to the minister the views which I have set forth and the information which I have collected, because I want to see this Act a success. I want to see it have the most sympathetic administration of the department. I believe it can be made much more secure in the public confidence if greater effort is made by the department to ensure action on a report and the acceptance of it.

Mr. CROTHERS: We generally regard my hon. friend as a fair-minded man, and I think he desires to be fair-minded now, but I am very much surprised at his observations. I was not quite able to follow his logic. He started out by telling us that the workingmen were becoming more and more dissatisfied with the administration of the Industrial Disputes Act, and he wound up by telling us that they were becoming more and more inclined to accept the awards made under it.

Mr. McCRANEY: Surely the minister understands me. I will just correct him if he will allow me. The men are becoming dissatisfied with the Act, because they are finding that more and more the awards of the board are not being accepted by the employers. As they understand the Act themselves, they are accepting the awards.

Mr. CROTHERS: I understood my hon. friend perfectly, and still the admission comes from him that the men are less and less dissatisfied with the administration of the Act as the years pass by.

Mr. McCRANEY: I did not say that.

Mr. CROTHERS: That is what my hon. friend said in substance.

Mr. McCRANEY: I was not speaking in substance.

Mr. CROTHERS: If the men are accepting the awards more and more, that surely means that they are becoming less dissatisfied and more content with the administration of the Act. In my hon. friend's city, only one board has been appointed since I took charge of my department and since the enactment of the legislation regarding boards of conciliation.

Mr. McCRANEY: Yes.

Mr. CROTHERS: That case was between the civic authorities and their employees, so that the railway men in Saskatoon have had no board appointed, and neither have the coal men. The coal miners of the West have never accepted this Act; they always ignored it. Only one board has been appointed in connection with disputes between operators and miners, and that occurred shortly after the Act was first passed. The original object of the Act was to prevent labour disturbances in the different coal fields of Canada. While I am and always have been a great friend of the Act, I cannot say that it has worked well so far as the coal mining industry is concerned, because in the West the coal miners have only once attempted to utilize the Act. That was in 1907, if I remember aright, and the award

was not accepted by them. My hon. friend knows very well that strikes occurred amongst the miners in the western coal fields in 1903, 1906, 1907, 1909 and 1911, the last being the most serious one, lasting for eight months. In that region of the coal mining industry there has not been anything like a prolonged strike since 1911, so that my hon. friend has not received, from the coal miners of the West, any information either for or against the Act, because it has not been used at all. It appears that he attended one meeting of the Trades and Labour Council at the city of Saskatoon, and there he heard somebody who knew nothing about the Act—because in Saskatoon there had never been an exercise of it but once, and that between the civic authorities and their employees—make certain observations, and still he comes here and denounces the administration of the Act, and speaks about our making some efforts to secure the observance of the Act by employers. Had he taken a few minutes to come to our office and inquire either from the deputy minister or myself, he would have found out something about the efforts that we do make and make successfully.

My hon. friend referred to a board that was appointed between the Grand Trunk Railway Company and their conductors when there was a serious strike, which was finally settled temporarily by an agreement signed by the late manager of the Grand Trunk Railway Company in June, 1910. When I was placed in charge of the Labour Department in the autumn of 1911 that agreement had not been carried out by the Grand Trunk Railway Company. Among other things, the agreement provided that all men who had been on strike and had not been guilty of any violation of the law would be reinstated within 90 days, and that all the men should be paid a certain advance in salary to date from the month of May immediately preceding the July when the agreement was entered into. A county court judge of the province of Ontario was appointed to ascertain how many of these men were entitled to reinstatement under the terms of the agreement who had not already been reinstated and he found there were 138. This judge was chosen by the Grand Trunk Railway Company, if I remember right, the Government approving their choice. But the Grand Trunk refused to reinstate these men. One of the first things I did after taking charge of the department was to urge Mr. Hays to carry out the terms of that agreement. But he refused to do it for me, as he had refused to do it for my predecessor. A few months afterwards, however, the Grand Trunk came to this House for legislation. I do not know whether my hon. friend was a member of the Railway Committee at that time or not, but if he was and was present he will probably remember that I took the position that the committee should not approve of the legislation they were seeking until the company carried out the terms of that agreement. I had an opportunity of discussing the matter with the late manager of the Grand Trunk Railway Company, Charles M. Hays, and I told him frankly, "You will get no legislation, if I can prevent it, until you have carried out that agreement," and I told him of the findings of Judge Barron, who had been appointed to make the inquiry. I mentioned that there were 138 conductors who had not been guilty of any violation of the law and were entitled to reinstatement. "Why," he said, "I never heard of such a report. I should like to see it." I said, "Come right along to the office and I will show it to you. I have it right in the judge's own handwriting." But he had to catch a train and could not come, so he asked me to send him a copy, and I did. The result was that in five or six months after this Government came into power, these men were reinstated. All were reinstated who wished to be, and not only that, but they received back pay representing an increase in wages from the 20th of May. I think it was, up to July. I have sent out bunches of twenty cheques at a time to these men covering their back pay. That is one instance where my hon. friend could have ascertained, if he had called at the office, that we had used what influence we had—and some of my friends thought I was very drastic—to coerce employers into accepting these awards.

There was another case not long since of a railway company refusing to carry out a unanimous award. The man who was chosen by the railway company was a railway man of long experience, and he joined with the other two in saying that the men should do so and so, and the company so and so. A high official of the company came to see me and pointed out how impossible it would be for them to carry out the award. I said "I won't discuss the matter with you. I do not know anything about it and you know all about it. All I know is that the man you appointed agreed with the other two in the award and that you refused to carry it out. Why

don't you carry it out?" He said it was impossible for them to do so, and he returned home and issued a circular setting forth very elaborately the reasons of the company for refusing to accept the award. I saw the copy of this circular and wrote him that he would no doubt be coming to Parliament next session with some Bills and said that it would be very difficult for me to support them unless the company carried out the award. Just as soon as the wires could bring a message from the headquarters of that railway company, I got a wire saying " We have adopted the award."

We had a similar case with the Grand Trunk Pacific. There is no legal means of enforcing these awards so far as I know, but there has been no case where employers have refused to carry out an award that at the very first opportunity I did not use all the pressure I could bring to bear to induce them to accept the award. I do not think there has been a single case of that kind in which our influence has not been effective. I hope now that my hon. friend will think over his logic again, and see how it limps when he says that the wage earners of the country when the Act was new refused to accept the awards made by the board of conciliation while the employers adopted them, not in every case, of course, and that later under our administration the men had become so satisfied with the administration of the Act and the awards made that they were now accepting them in greater numbers than ever before, and my hon. friend then comes to the conclusion, so limp is his logic, that it is evident the wage earners of this country are becoming dissatisfied with the operation of the Act.

I have a few letters which I will not read to-night, as I may have another opportunity, from the leading labour men of this country, who are absolutely satisfied with the administration of the Act. There were some complaints before I was placed in charge of the Labour Department, about the delay in establishing boards after an application had been made. I gave instructions that there should be no unnecessary delay with the result that during the first year of our administration of the Act the number of days that elapsed between the receipt of an application and the granting of a board was reduced from fifteen to seven on an average. In the first year during which I had the honour to administer this Act there were a million days less of lost time by reason of strikes than there had been the year before. At $2 a day, that means $2,000,000 saved in wages. But one year might not be considered a very fair basis of judgment. Take the whole time the Act had been in force before I was placed in charge of the department, four years, and compare with that the five years since I was placed in charge. The number of days of lost time since I took charge has been about half a million less every year on the average than during the four years before. This is a saving of $4,000,000. Add to this the $2,000,000 already referred to and you have a total of $6,000,000 saved to the wage earners of this country by the avoidance of strikes and lost days. The hon. gentleman says that the Trades and Labour Congress voted to repeal this Act. That is so. But they started in to do that before we came into power. In Calgary, not very far from where the hon. gentleman lives, the annual convention of the Trades and Labour Congress of Canada was held in 1911—before we came into power— and voted in favour of repealing this Act. Does it follow from that that there is anything wrong with the Act itself or with the administration of it? I am not here to criticise my predecessor —we are on the best of terms— and I think it is no evidence at all of any defect in the Act or in its administration by my predecessors that such a vote was passed by the Congress. Now, without going into details or reading the great quantity of letters I have on the subject, let me read just one letter addressed to me by a man who has taken part in the coal difficulties in the western field. He is a member of the International Board, the only member from Canada I believe. His letter is dated 9th April last, and is in part as follows:

> I am very optimistic as to the final outcome of the negotiations. I feel that Wednesday night or Thursday at latest should see the sub-committee ready to report to the full conference committee, and in conference have an agreement to present to the miners for ratification. Permit me to say in all sincerity how deeply I appreciate the effort for the men I am feebly trying to represent at this time.

I was out there nine days, doing what I could to bring about an amicable adjustment between the operators and the men.

> I know of the general unsavory remarks—

And he had not heard my hon. friend from Saskatoon.

> —that are oft-times levelled at any Government, and the respective officials thereof. However, I wish to state very frankly that when an agreement is finally arrived at I

shall feel both obligated and delighted to give every credit to the splendid part you played at Calgary. Your readiness to take up the question of reducing the hours of labour for outside men at my solicitation will ever be remembered by myself, more especially in view of the fact that it produced results, and it is results that count. Again thanking you for your assistance, and fully appreciating the delicacy of your position in appearing before employer and employee.

I have dozens of letters of that character coming from leading representatives of labour in Canada. And yet my hon. friend from Saskatoon picks up something that he hears the members of a labour council in Saskatoon had said,—men who have never had anything to do with the Industrial Disputes Act,—and talks about the labour people of Canada becoming more and more dissatisfied with this Act and feeling that they have not the sympathy of the Department of Labour. The hon. gentleman does not take the trouble to inquire at the source where he could have got the facts before speaking in this way.

Let me give the hon. gentleman one or two more instances. I had not been long in charge of the department before my attention was called to what purported to be a copy of an agreement which a large employer of labour required his men to sign, one of the provisions of which was that he would have no man working for him who was a member of a labour organization, and if he found one of his employees to be connected with such an organization, he would dismiss him. Without having received complaint from anybody, I wrote to the manager of this concern telling him that I had seen this document. I received a reply which was very amusing. Among other things, the writer said he never had had a member of a labour organization in his employ, and never would have, even though it meant that the wheels of his factory did not turn for forty years. I wrote back that a man was not to be discriminated against because he thought it in his own interest or in that of his wife or family, on intellectual, social or other grounds, to belong to a labour organization, so far as I could influence or assist in preventing it. About two and a half years after that I was informed that this same employer of labour had received a contract from the Government for the making of militia supplies. I wrote to him to this effect: When our former correspondence took place you were carrying on a private enterprise, but I am told that you now have a contract with this Government for the making of certain goods. Had I known at the time you would not have got that contract, if I could have prevented it, and I will take good care that you do not get any more contracts, if I can prevent it, unless you waive that obnoxious agreement which you insist upon your men signing. He came down off the perch as rapidly as the postal trains could bring a letter. He said: I have already advised my men that I will not require them to sign that agreement any more; and I hope you will do what you can to get more contracts for me

Mr. MACLEAN: The man changed his view because he had got a Government contract?

Mr. CROTHERS: Changed it to the benefit of his men.

Mr. MACLEAN: I do not understand that to be the case.

Mr. CROTHERS: Does the hon. gentleman understand that he waived that term of the agreement—

Mr. GRAHAM: Yes, because he got a Government contract.

Mr. CROTHERS: I do not care why it was, the men got the advantage of my action in securing their liberty to join a labour organization if they desired to do so. Let me give another instance which occurred a few weeks ago. I saw it stated in the newspaper that certain coal dealers in Montreal were selling coal in the central part of the city at $15 a ton and in the suburbs at $20 a ton. I did not wait to write a letter even. I wired to the Mayor of Montreal, told him what I had seen in the press, and asked him whether there was any truth in it or not. I did not wait. Yet, the hon. member for Saskatoon thinks that we have no sympathy with the poor working men in this country and that they do not think we have any sympathy with them. All I can say is that any information of that kind which he has got comes from men who know nothing about the Labour Department or about the Industrial Disputes Act. The men who do know appreciate it and appreciate the way it is being administered. They did so before I was placed in charge of the department and they have done so since. I have no doubt, after five years' experience, that the principles of the Industrial Disputes Act are good, and that they are in the interest of industrial peace. They have prevented scores and scores of strikes

that the public hear nothing about. In the autumn of 1911 we had two fair wage officers, both having their headquarters in Ottawa. If a disturbance arose at Vancouver it had either to take its course or we had to send a man to Vancouver. If a disturbance arose at Sydney or Halifax the same alternative presented itself. It occurred to me that it would be a great advantage if we had a man on the ground in Vancouver. I found in the Labour Department when I came to it two men both experienced and capable. One of them gave me entire satisfaction while he lived. The other is living still. I sent him to Vancouver and I think it is no exaggeration to say that during the past years he has prevented, by reason of his being right on the ground, forty or fifty labour troubles that would have developed into very serious disturbances had he not been there. I appointed another man and located him in my hon. friend's city of Saskatoon because I found that Mr. McNiven, whom I had sent to Vancouver, had too large a territory to cover. He might be in Saskatoon and a disturbance would arise suddenly in Vancouver. As my hon. friend from Rouville, who has had some considerable experience in the Department of Labour, knows, these difficulties arise sometimes in a few hours. I came to the conclusion that Mr. McNiven had too large a territory and that he might be in Vancouver when he was needed in Saskatoon, Edmonton or Winnipeg. I appointed another man in Saskatoon, another in Winnipeg and another here. I attribute the great saving in time to the fact that we have a larger number of these fair wage officers whose duty includes the exercise of their best efforts to prevent disturbances of this kind. I attribute to the increase in their number and to their being on the ground and taking hold of the matter earlier than they otherwise could, the prevention of many labour difficulties. I am surprised that the hon. member for Saskatoon should have referred again to the Thetford Mines matter. It is too trifling to think of for a moment. We reached a settlement most satisfactory to everybody and there has been no disturbance for a year. There was another element in the Thetford Mines case that slipped my memory the other night, and it

11 p.m.

was that we had in Thetford Mines two rival, antagonistic labour organizations. One was a labour organization called the Catholic Association, a local association, and the priest of the town took a very great interest in the welfare of the men and in getting them into the organization. The members of that organization were perfectly satisfied with the conditions and they passed a resolution to that effect. They had some safe guidance from their spiritual adviser, who had their best interests at heart. The other was the Western Federation of Miners. They had about the same number of members. The priest exerted his influence in one direction. Then hon. member for Megantic (Mr. Pacaud), who addressed a crowd of these miners on Sunday afternoon, unjustly, and without any reasonable cause whatever, denounced the Minister of Labour and the Government for party purposes, and had the pleasure of a strike on his hands a day or two afterwards. I do not think I would be justified in taking up any further time. At almost every annual meeting of the Trades and Labour Congress since 1911, and before I was placed in charge of the Labour Department, we had a resolution denouncing the Lemieux Act. There was a meeting in Vancouver where they were two to one in favour of the Act. I took occasion to tell them about the good qualities of the Lemieux Act, and I said that so long as I was at the head of the Labour Department that Act would not be repealed. I think my hon. friend from Saskatoon, before he again unjustly attempts to criticise the labour or any other department, will take reasonable means to ascertain what the facts are and, if he does, he will save this House and the country a great deal of time. That does not apply to this particular case only; it applies to many other cases. If the committee will pardon me, I will just say that we have hours, days and weeks spent in talking in reference to a matter without any effort being made to get at the facts from the true source, and when the facts are brought down it is found that there is absolutely nothing in it.

Mr. COPP: How many fair wage officers have been appointed?

Mr. CROTHERS: I think six.

Mr. COPP: Any in the Maritime Provinces?

Mr. CROTHERS: The gentleman who deals with such matters in Quebec takes in the Maritime Provinces.

Mr. COPP: The fair wage officer in Quebec looks after the Maritime Provinces?

Mr. CROTHERS: Yes. Originally fair wage officers were appointed for the purpose of ascertaining what a fair wage would be to pay to workmen engaged on public work. That is why they are called fair wage officers. There has not been very much done in the way of public work during the last two or three years. We have no man now especially for the Maritime Provinces. We appointed one after the death of Mr. Dubreuil, but he resigned. Some one said the other night that he had been dismissed. Mr. Arcand was not dismissed at all. I had a letter of resignation from him in which he told me why he had resigned. It was on account of some domestic difficulty that it would not be proper for me to detail here.

Mr. COPP: With reference to the long lecture which my hon. friend the Minister of Labour has given to my hon. friend from Saskatoon (Mr. McCraney) in regard to the manner in which he has received information about labour troubles in different parts of Canada, I may say that I have always got information from sources where the men are themselves, and I have always found it just as credible as could be got from any other source.

One of the very best sources of information in regard to labour trouble must surely be the labourers themselves; from them it is possible to obtain first-hand information. I understand that the hon. member for Saskatoon (Mr. McCraney) got his information first-hand in that manner. The Minister of Labour attempts to say to him that he should not accept information from the labourers themselves, but must go to some official of the Labour Department and find out the facts in regard to the labour organizations or labour troubles in his town. I can say to the Minister of Labour, and I say it without offering criticism at all, that I have had many labour men in whom I have had the greatest confidence and whom I see employed in work in various parts of the Maritime Provinces, tell me that they do not get proper treatment or attention when application is made to the Minister of Labour. I do not know any better source of information than the men themselves in regard to such matters. My hon. friend thinks it is conclusive testimony to read a letter from some official of a labour organization whom he has visited in the West; he advances that as a positive assurance that everything is well in the Labour Department, and suggests that the hon. member for Saskatoon has simply come here and worked up out of his fertile brain some matters of trouble or complaint by the labourers in his portion of Canada.

Mr. CROTHERS: Would my hon. friend give me a number of cases in his neighbourhood where they complain about delays in the establishment of boards of conciliation?

Mr. COPP: I could give my hon. friend privately many cases such as I referred to.

Mr. CROTHERS: Well, give me one.

Mr. COPP: I will give my hon. friend cases if he will give me an opportunity of doing it privately.

Mr. CROTHERS: Oh, privately, oh, oh.

Mr. COPP: My hon. friend laughs about that. Let me say at the outset that I am not here to criticise the department beyond saying that the labourers themselves in many instances complained to me that they were not able to get fair treatment, that the Minister of Labour did not seem to take any interest in his department in connection with matters of this kind, and that they had appealed to him and appealed in vain—they knocked at the door but the door was not opened. I have been informed that resolutions were passed to the effect that the Minister of Labour should not be a professional man but should be a labouring labour man himself, one who understood the labour question, and that a gentleman of the same profession and calling that I have the honour to belong to myself was not really able to sympathize fully with the labour element. I think that under those conditions my hon. friend from Saskatoon resorted to the best source of information when he went to the Trades and Labour Council. I think he is doing only right and justice to the ordinary labour men when he draws the attention of the Minister of Labour to conditions in his constituency, as a representative from that portion of Canada.

Mr. CROTHERS: I have no doubt that the man who was telling my hon. friend the sort of man who ought to be at the head of the Labour Department was perfectly satisfied with a labouring man like my hon. friend from Rouville (Mr. Lemieux) as Minister of Labour.

Mr. COPP: No, he was not satisfied with a gentleman like the hon. member from Rouville (Mr. Lemieux).

Mr. CROTHERS: I said I had no doubt he would be.

Mr. COPP: No.

Mr. CROTHERS: With a labouring man like the hon. member for Rouville or like my hon. friend.

Mr. COPP: He was not satisfied with either of you.

Mr. CROTHERS: No. I suppose not. There are men who are not satisfied with anything. I do not think the hon. member for Westmorland has treated me fairly in saying there were so many cases where complaints were made to him that labour men had applied for boards of conciliation and could not get them; and then when I asked him for one case he would not condescend to be fair enough to me to give one case so that I would have an opportunity of explaining why it was so if the board had been refused or denying the charge if the facts were not as stated. I do not think that is fair. If my hon. friend was not in a position to give a case, I do not think he should have referred to the subject at all.

Mr. COPP: I would be the very last one to say anything unfair to the Minister of Labour. I did not say that the gentleman told me of a number of cases where Boards had been refused, but he made complaint that the Labour Department did not give proper attention to the labour interests, such as they would expect from the Minister of Labour. I have no desire to throw the slightest reflection on the minister, but this is a question that is coming before the representatives very often. As the hon. members on both sides know; the labour question is becoming a serious one, and the men are looking to the representatives of the different constituencies to look after their interests as well as they possibly can. The gentleman who spoke to me was not satisfied with either the Minister of Labour or his predecessor.

Mr. CROTHERS: He was hard to please when neither of us would satisfy him.

Mr. COPP: He may be hard to please, but I can say to the Minister of Labour that if he would pay more attention to the ordinary labouring men and the claims they have upon the people generally throughout Canada, the labouring men would have a great deal more respect for the Minister of Labour. It would be better if he did not pay so much attention to the higher officials who come to him with such letters as he read to the House giving him a certificate and a reputation as being a great minister and doing his part so nobly in the interests of labour. The labour question throughout Canada, and especially down in the Maritime Provinces, is becoming more acute every day, and I think there is a very great opportunity for the Minister of Labour to go down there and spend some little time looking into matters for himself. He would find a great many complaints. I will give him the names of numbers of men in communities which he could visit with great benefit to himself, to his department, and to the Government, as well as to the labouring men in that portion of the constituency where I live.

Mr. CROTHERS: May I give some information to my hon. friend to carry to his friend? It may be of use to him. That is that the present Minister of Labour knows what it is to dig stumps and stones out of the fields, and work in the bottom of a ditch, and that he has worked for $11 a month and his board. Tell that to your friend and he will be perfectly satisfied.

Mr. COPP: I do not think the people in my county would be satisfied; if I told them that he worked for $11 a month, they might say he was well paid for the services which he rendered then if he did not do his work any better than he is now discharging his duties for the labouring people.

Mr. McKENZIE: I understand from the hon. member for Pictou (Mr. Macdonald) that he had some observations to make in connection with the particular item before the committee. Is it the wish of the minister that the committee should rise now?

Mr. CROTHERS: I think we ought to pass an item.

Mr. McKENZIE: I come from a part of the country, Mr. Chairman, where we have great bodies of labouring men, great industrial enterprises and a large amount of capital invested. We have our difficulties and our troubles. Sometimes we find fault with the minister—often justifiably—but I should like to have good and sufficient evidence before I tackle him directly. Just now, having no such evidence, I am not going to make any direct criticism of the minister. The Lemieux Act, as it is called, was a great step in advance of the conditions that existed before the passing of that Act. But, like every other step taken in a new direction, there is, no doubt, room for improvement and for better things in

the future. I have had in mind for years, although I have not expressed it in the House, the idea that we should have better courts for the administration, not necessarily of the Lemieux Act, but of such disputes as arise between capital and labour. Permanent, trained and continuous knowledge is required of those who deal with matters of this kind. To have one court to-day and another to-morrow and another the next day, not necessarily any one of the men who was on the first serving on the others; to have raw recruits at each court who, perhaps, have had no training in dealing with this kind of dispute and no knowledge of the law governing the practice of the court or the case they have in hand—to have a court of this kind is not the best way of dealing with such vital issues as arise between capital and labour. It has long been my view that we should have a court trained, capable and continuous, to deal with question of this kind. The minister mentioned to-night a case where his officer was on the ground and prevented an outbreak of trouble. I submit that there should have been in that place a court—not necessarily consisting of many men; one good man might do—available immediately, without the necessity of a large amount of paraphernalia and procedure, with power to hear any person coming before it and to settle the dispute in the most effective and speedy manner. I have in mind the country-wide, effective benefits which are conferred upon us by the Railway Commission. I was never before that Board, but I am told that any man can get before it and tell his story in his own way; it can be approached without any particular procedure or ceremony, and it deals with the questions submitted to it speedily and on the spot. It is some such court that I have in mind to deal with labour disputes, not necessarily as expensive and as big a court as the Board of Railway Commissioners, but a competent body that could be simply and quickly approached and that would be in a position to prevent, as much as possible, the necessity of strikes and lock-outs. Suppose there are in a mine 300 or 400 drivers, one of whom is dissatisfied. This driver, who belongs to a drivers' association, calls out all the drivers and says: the boss put me off this morning improperly, and I am going to call the men out on strike. That is the only way he can remedy his grievance. If that driver could tell his story to a competent court and be compelled by law to make no trouble until his case had been presented to the court, his difficulties could be settled in a day. As it is now, his only remedy is the extraordinary procedure of calling all his fellow-labourers out on strike. The establishment of a court to deal with such matters would afford ample protection to the driver, prevent the necessity of a strike and secure a more peaceful settlement of the difficulty. The great aim of the country should be to get the confidence of the workingman. The great trouble is that the weaker element is inclined to think that it is imposed upon by the stronger; the workingmen think that in the eyes of the authorities they are not as important as the capitalists. We should go far to disabuse their minds of that idea and to make them understand that it is the first duty of Parliament to protect them at every point, and one of the best ways of bringing about that condition would be to establish courts of ample jurisdiction, presided over by the very best men obtainable, before which the miners could come readily and conveniently tell their story and get their remedy without the interference of lawyers or any difficult line of procedure. The man who owns a mine has his capital; the man who owns a big lumber concern or a railway enterprise has his money, but the only capital of the workingman is his head and his hands and that is all that his family and those depending upon him have to safeguard them. It is certainly as important to the workingmen that their capital should be secure as it is to the wealthy men who are interested in such industrial pursuits as I have mentioned. It is in the best interests of our country to create the best possible relations between capital and labour, and to have a business understanding between them and courts capable of carrying out that business understanding in the most effective and efficient way, so that any ideas of imposition by the one upon the other, or any lack of interest in the powers that be, as between them, should as much as possible be allayed and removed.

On the motion of Mr. Crothers that progress be reported:

Mr. McKENZIE: I presume it is understood that any remarks that any hon. member may desire to make in regard to this item may be said on other items that are not yet passed.

Mr. CROTHERS: I shall have something to say in reply to my hon. friend's speech which he has just finished, although I will

not take the time to-night to do so. If there is any hon. member present who would like to make any remarks in regard to this item he will have an opportunity of doing so when the other items are under discussion.

Progress reported.

On motion of Hon. Mr. Crothers, the House adjourned at 11.30 p.m.

Tuesday, May 8, 1917.

The House met at Three o'clock, the Speaker in the Chair.

GRAIN FOR BREWERIES AND DISTILLERIES.

PROPOSAL TO DISCONTINUE THE SUPPLY.

On the Orders of the Day:

Mr. EMMANUEL B. DEVLIN (Wright) asked for leave to move the adjournment of the House for the purpose of discussing a definite matter of urgent public importance, namely, the necessity, owing to the high cost of living, and the importance of conserving all food products for the benefit of the consumers of Canada, the Empire, and our Allies, that the Government take steps under the War Measures Act to have the supply of grain to brewers and distillers immediately discontinued.

And leave having been granted,

Mr. SPEAKER: Before the hon. member proceeds, I deem it my duty to apprise the House that, inasmuch as this motion specifies the subject proposed to be discussed, discussion should be very strictly confined to the subject mentioned in the motion. I hope that hon. members who may speak shall confine their remarks as closely as possible to the subject.

Mr. DEVLIN: Mr. Speaker, I mean to take up very little of the time of the House in discussing the motion which I have now the honour to present. Since the beginning of the war I have tried as much as possible to confine my time and attention in this House to matters directly affecting our country, the Empire, and our Allies, in the interest of the war which is now being waged. The idea which came into my mind in bringing this matter before the House was prompted by a speech delivered by the Minister of Finance to the congregation of St. James Methodist Church at Montreal. In speaking upon the subject of self-sacrifice and self-denial, the minister used these words, which appealed to me, and which, I am sure, must have appealed to every man who has read the report of that speech:

> The duty of every man who can produce anything useful or essential for the national good is to strengthen the nation and put forth his utmost effort. Increased production is necessary, increased agricultural production especially. Every acre, every plot of land in the Empire, should be made to produce this year to the utmost of the human energy available for the purpose. The only reason the nation can sustain the burden of the war is because of the enormous expenditures in peace time for luxuries being discontinued; the cutting out of all but essentials, and there are comparatively few essentials in this world after all.

As I am not familiar as perhaps are others in this country with the use of whisky and beer, I was forced to look up an encyclopedia to find out what were the raw materials used in the manufacture of those liquors, and I find that they consist of barley, wheat, rye, sugar, corn, and molasses. It is imperative, owing to war conditions, that every country should see that its inhabitants are properly supplied with foodstuffs, and secondly that waste and unnecessary uses of foodstuffs are eliminated. Whisky, beer and similar liquors used as beverages cannot be considered as amongst the necessaries of life, but the raw materials used in the manufacture of those beverages are without doubt necessaries of life. Following out the advice given by the Minister of Finance, we must eliminate all waste and extravagance, and we must, if we want to be in a position to cope with the situation that faces this country and our Allies, produce from the land as much as possible, to supply not only the consumers of this country, but the Allies in so far as we are able to do so. If we desire to do that, we must do it by the elimination of waste and extravagance. The use of whisky, beer, and similar beverages constitutes waste and extravagance; the raw materials used in those beverages are wasted, and it is an extravagant use of those raw materials. Therefore, if whisky, beer and similar drinks are not necessaries of life, but the raw materials used in those beverages are necessaries of life, it becomes the duty of the Government, and the Government has that right under the War Measures Act, to eliminate from consumption in this country such beverages in order that the consumers may, in the way of foodstuffs, have the full benefit of the raw materials of which I have spoken.

I further want to point out to the House that it will be in the interest of the farm-

ers of Canada that such action be taken because the farmers are complaining to-day that they are obliged to pay too much for their seed grain. I submit further to the House that the farmers are not getting the benefit of the increased prices of these materials through the consumption of whisky and beer; the benefit is all going into the hands of speculators. From the information which I have been able to obtain we have consumed—let me hope, not in this country—but there has been consumed in this country in the manufacture of liquor in the year 1916, 2,353,273 bushels of barley, 589,394 bushels of corn, and 123,801 bushels of rye, making a total of 3,066,468 bushels. I appeal to the House whether it would not be better that the consumers of Canada, those who seek food, those who actually need it, those who are earning small salaries to-day, should get the benefit rather than the distillers and the brewers, whose only object can be to gain large profits and increase their wealth at the expense of the people of Canada.

My last remark is that with more economy and less wasteful expenditure on the part of the Government there would be less taxation upon the consumers and producers, and more money in the pockets of our people to meet the increased cost of living. But unmindful of the real needs of the people, and thinking only on raising money to meet the necessities of the hour, the Government have gone on increasing taxation without trying to discover where they could curtail expenditure. I am now pointing out to the Government one way in which the production of this country can be saved from waste and used directly for the benefit of the people of Canada, and if only this one suggestion were adopted, the people of this country would not be called upon to pay quite as much for their foodstuffs; the distillers and brewers and speculators would not make the profits they are now making, and the people of this country would have more foodstuffs at their command.

The Minister of Trade and Commerce, who was in Washington recently, has given an interview since his return to the Montreal Daily Mail of May 7, 1917, as follows:—

Food supplies, labour, and ship building were the chief matters which were dealt with by Sir George Foster; finance and tonage production will be the principal matters which will engage the atention of Sir Thomas White.

Joint Action on Food Prices.

The Minister of Trade and Commerce states that as soon as Congress gives President Wilson the necessary authority, by the passage of measures now in the House of Representatives and the Senate, there will be joint action by Canada and the United States for the regulation of food prices, for co-operation in the supply of agricultural labour, and for co-operation in the production of tonnage required to offset the activities of German submarines.

Sir George said that the decision was reached early in the conference at Washington, but there would have to be joint action by Canada and the United States in order to most effectively solve the problems in which the North American continent is interested through the war. The War Measures Act gives the Canadian Government the authority which it requires, but Congress has to provide the American Government with similar power before anything effective can be done. Sir George expressed the opinion that Congress would pass the Bills unanimously.

There is a frank admission, and I have no reason to doubt the report that the Government have power under the War Measures Act to enact legislation immediately, by Order in Council, embodying the substance of the motion now before the House. The same thing is being done in other countries. Down in the Argentine Republic even more drastic measures have been taken. I quote from the Montreal Gazette of May 7, 1917:—

Ottawa, May 6.—A further report, in response to inquiries regarding an article stating that the Argentine Republic was seriously menaced by famine, has been received by the Department of Trade and Commerce from Mr. George Mallet, of Valparaiso, Chile.

Mr. Mallet says that the information contained in his first article was telegraphed from Buenos Aires to responsible newspapers in Chile, and was also published in papers in Argentina. In view of the subsequent abnormal exportation of wheat from Argentina, he says, the alarmist story of famine menace would almost appear to have been a hasty exaggeration of the actual facts, were it not for the supporting evidence which is everywhere apparent, on a careful review of the question. He points out that the Government of Argentina has found it necessary to issue a decree with astonishing rapidity prohibiting the exportation of grain so indispensable for home consumption. "The failure of the harvest in the principal grain zone lying between Uruguay, Paraguay and the Andes, naturally produced considerable alarm," he says, "totally eclipsing the favorable prospects of the Province of Buenos Aires, which have subsequently been brought to light. This is, however, not of sufficient importance to counterbalance the losses in the remaining provinces."

Without taking up unnecessarily the time of the House, I now submit this motion, trusting that it will appeal to the judgment and intelligence of every hon. member of this House.

Mr. J. J. HUGHES (Kings, P.E.I.): I wish to go on record as supporting this motion, though I would like to see it even wider. The Government has received this

session a great number of petitions containing hundreds of names, and certainly representing the views of thousands of people in this country, praying for the enactment of a law this session prohibiting the importation.

Mr. SPEAKER: I regret to have to interrupt the hon. member, but it is not in order for him to now discuss the question of prohibition. The resolution before us is with respect to the conserving of the products used in the manufacture of liquor.

Mr. J. J. HUGHES: I did not intend to take up much of the time of the House, and I think that what I have to say bears directly on the motion before the House. I was simply leading up to my reasons for supporting this motion, if not a wider one, and I should like to have the privilege of addressing the House for a few moments. I was saying that the Government has received a large number of petitions this year praying for the enactment of a law this session prohibiting the importation, sale and manufacture of intoxicating liquors in this country. If ever there was a time when this question should be considered it is now. Members of the Government especially the Minister of Finance (Sir Thomas White) and the Minister of Trade and Commerce (Sir George Foster), have held meetings in different parts of the country to explain to the people the gravity of the situation, and have told the people that, sooner or later—and much sooner than many expect—we shall have to give up seventy-five per cent of our luxuries, and perhaps twenty-five per cent of necessaries. Intoxicating liquors at their very best are certainly luxuries, and at their worst are one of the greatest evils from which the country suffers. I believe that public opinion at this time would sustain the Government in taking action along the lines suggested by this resolution, and in my humble judgment, will condemn the Government if something of the kind is not done during the present session. Last session Parliament passed an Act fixing very severe penalties for the carrying of liquor into prohibited provinces. I know that that Act has been violated extensively in regard to the province from which I come. I had a question upon the Order Paper early in the session, asking the Government if they were aware that the provisions of that Act had been violated by the carrying of intoxicating liquors into Prince Edward Island.

Some hon. MEMBERS: Order.

[Mr. J. J. Hughes.]

Mr. SPEAKER: The hon. gentleman (Mr. Hughes) should confine his remarks to the question before the Chair. We are not discussing the general question of prohibition—the resolution is a specific one against certain grains being used in the manufacture of intoxicating liquor.

Mr. J. J. HUGHES: I shall confine my remarks entirely to the subject you have indicated, Mr. Speaker. I say that at least the action proposed by this resolution would be justified, and more than justified, and that the people would approve such action by the Government. I believe that public opinion will not be met, and that a vast majority of the people will be dissatisfied, unless something of this kind is done.

Mr. D. D. McKENZIE (Cape Breton North): The hon. member (Mr. Devlin) who moved this resolution has put his case very strongly and clearly and has given the House sufficient data to justify the position he takes and the motion he has moved. If the only purpose in speaking were to give further information, it would not be necessary for me to occupy even a moment of the time of the House. But it might appear to be an expression of indifference on my part if I allowed the motion to go by without saying a word. I understand that this is a resolution that does not come to a division, but is made for the purpose of giving members of the House, and particularly members of the Government, an opportunity to express their opinion upon the subject. The figures given by the hon. member for Wright show that very large quantities of the very essentials of living are consumed in the manufacture of intoxicating liquors; and, while I am not fanatical on the subject, and have no desire to deprive any man of the right to take a drink when he so desires, I think it is time for us to deny ourselves such luxuries as intoxicating liquors and to take steps to stop their production. For, while the stoppage of production of intoxicants is not the object directly sought, the enforcement of the principle declared for in the resolution would have that effect. The direct object is two-fold—first, to prevent the use for other purposes of money which should go to the support of the people; and, second, to conserve for food purposes the grain which would otherwise be used in producing intoxicants. If any steps can be taken by the Government to make it certain

that grains shall be used for food, and so improve our position in relation to the war, those steps should be taken.

Mr. J. H. BURNHAM (West Peterborough): I support the motion, both the principle involved and the statement regarding it made by the Finance Minister, upon whose statement, I believe the motion has been initiated.

Mr. HUGH GUTHRIE (South Wellington): As has been said, this motion comes before the House practically without notice, and consequently one is not so well prepared as one would like to be to discuss the question. I am satisfied that the suggestion of the hon. member for Wright (Mr. Devlin) is in the right direction. We in Canada, I think, are lagging behind our friends in the United States on this question. I see published daily in the New York Times and New York Herald almost whole sheet advertisements by the National Brewers of the United States, trying to justify their position at the present critical time in regard to food shortage, by showing the infinitesimally small quantity of grain they use. One has only to look into the records in our country, and I fancy in their country too, to see that it is not a small quantity of grain that is used by the brewers and distillers, but a large quantity —over 3,000,000 bushels of grain used in Canada last year to produce something which in seven out of the nine provinces is now practically prohibited. I fancy that the year 1915 showed a larger consumption of grain by brewers and distillers than last year, because in September last prohibition went into effect in Ontario, as it had gone into effect earlier in the year in other provinces. I think there is an easy way to meet the difficulty in this matter. A year ago last March the Minister of Justice (Mr. Doherty) had a Bill before the House dealing with the question of the importation of liquors into various provinces. On that occasion I pointed out that the Government should go a step further and that, in the provinces where prohibition had been passed, the licenses of brewers and distillers should be revoked. The Inland Revenue Act provides that brewers' and distillers' licenses may be revoked in any year. That can be done now simply by a refusal to grant brewers' or distillers' malting and distilling licenses for seven of the nine provinces in which prohibition is in force. It would not apply generally throughout Canada but I am sure that such a course would undoubtedly be in accord with the views of the people of these seven provinces. I think the House is entitled to some expression on that question from the members of the Government. One can realize that in Ontario perhaps it is a difficult question for the present Government to deal with. One has only to cast one's eye at Walkerville, Ontario, with its tremendous distilleries, at Waterloo and at the Gooderham and Wort's distillery in Toronto to know that perhaps the Government may have some difficulty in meeting what I believe is a general demand at the present time. There are to-day in Canada, I believe, eleven distilleries and ninety-four breweries operating and it would be a very simple thing, and something that the people at this moment expect, for the Government, through the Inland Revenue Act, as it is at present framed, or by legislation, or by Order in Council under the War Measures Act, to entirely eliminate the consumption of the grain that is now used by these breweries and distilleries. Pass it, if you will, as a war measure because it certainly would be an appropriate measure at the present time. I feel confident that the whole country will support it.

Mr. EDMOND PROULX (Prescott): I know that some of the farmers have difficulty in procuring grain for seeding their land this year. I think public opinion would support the Government if it would take measures to relieve the situation. One way of relieving the situation would be by saving the grain which goes into the production of liquor. It is certainly wasted. What is the use of the Government preaching economy and self-sacrifice if the Government does not do anything to relieve the situation? Something has been done by the provinces. The Government has passed legislation confirming the legislation passed by the provinces and trying to help the provinces in having the law observed. But, that is not sufficient. We are certainly passing through a crisis which demands upon the part of the citizens a measure of self-sacrifice and I do not see why the distilleries and brewers should not have their sacrifices as well as other people are having theirs. I am strongly in favour of the resolution proposed by my hon. friend from Wright (Mr. Devlin).

Mr. E. W. NESBITT (North Oxford): Mr. Speaker, I think that something should be done during the war to curtail the

amount of grain that is used for distilling and brewing purposes. The Government have an opportunity of showing that they are not only in favour of temperance but that they are in favour of conserving the grain production of the country for food purposes. In so far as my knowledge of the country goes, I think it will be necessary before the snow flies again for the Government to use every effort to conserve the grain in the country for food purposes and therefore I have pleasure in endorsing the resolution. I would ask the Government to take into their serious consideration the question of doing something along this line because that is a direction in which they can move and do the least harm and the most good.

Mr. J. G. TURRIFF (Assiniboia): Mr. Speaker, I think my hon. friend from Wright (Mr. Devlin) has every justification for bringing this matter to the attention of the Government. I know that in so far as the people I represent are concerned, nine-tenths of them, Liberals and Conservatives alike, would support and justify the Government in taking action along the line suggested by my hon. friend. I do not intend to refer to this in the sense of temperance legislation in any degree whatever. I altogether agree with the view expressed by my hon. friend from North Oxford (Mr. Nesbitt) a moment ago, that we were facing possibly a much more serious situation than we have any idea of. We heard from the hon. member for Wright of the crop failures in some of the South American countries. There is the Republic of Argentina, which is not at war at all, but which has been compelled to take just such action as the hon. member for Wright has asked the Government to take. There never has been a time in the past, whatever the future may bring forward, when the Government could take this action and cause as little disturbance to the large interests, and there are large financial interests engaged in making whisky and beer. Many of the factories could be used to great advantage in manufacturing, not from grain, but from other sources, spirits to be used in connection with the making of high explosives. The grain and food supplies that are being used to-day in the manufacture of beer and whisky could be saved to the country. With the crop failure in South America, and with the possibility of a light crop in Canada, this saving would be all important. Remember that we are now at the eighth day of May and that this is one of the latest seasons we have ever had in Canada taking it all around. I know, speaking for the West, that the chances are that we are going to have a very small crop, we are going to have a much less acreage in wheat than we have had in the past and we do not grow a great deal of barley in the West. Our crop will have to go more largely to oats and flax. We are going to have a short crop in all probability of the grains that go to make human food. Then, what about the conditions that exist in England? I am afraid from what I have heard from men and women who have returned from Great Britain in the last month that the conditions there are considerably worse than we have any idea of, that they are extremely serious. When you find a country like Great Britain tearing up their parks and lands that have not grown food products for many years, something very serious is on. Here is an opportunity now for the Government to save many millions of bushels of food products for the people, either for ourselves, or for the Empire, or for our Allies, all in the interest of winning this war. If the Government does not take advantage of this situation, in my judgment, it will be neglecting the greatest opportunity that has ever come to the Government to meet the views of all the people of Canada. If they do take advantage of this suggestion they will meet the views of the great majority of the people and they will be doing something that the people of Canada want to have done. They have the expression of the views of the people on the general liquor question, and I am not going to discuss that. But that helps to justify them to-day in taking action to conserve this great amount of food product and thereby to make not only Canada but Great Britain, the Empire, and our Allies that much stronger. I feel that I would not be representing the sentiments of my constituency if I did not make these remarks. I trust that the Government will not be hampered, that they will not allow themselves to be hampered, by the consideration of any particular interest, distilling, or brewing, or any other, but that they will go forward and save this grain to the people, and not only the grain but the sugar and molasses as well. Sugar and molasses are as much food products as wheat, oats or barley. By the course suggested something can be saved, and in saving it no harm would be done to the country, rather a greater good would be done than by letting this grain be converted into whisky and beer. So there is every-

thing in favour of this suggestion and nothing against it except the interests of a few brewers and manufacturers. Therefore, I hope that the Government will lend a kindly ear to this suggestion, and within a very short time issue the necessary instructions that, until the war is ended, no further grain shall be used for making whisky or beer.

Mr. W. F. MACLEAN (South York): Mr. Speaker, I have attended some meetings in my own province of Ontario, the main object of which was to increase the agricultural production of that province. A great committee has been formed for that purpose, with the Lieutenant Governor of Ontario as chairman. Sub-committees are now at work to ascertain how the resources of the province can be best developed for the purposes of this war. I have read in the press, and I myself have written in the press and advised, that there ought to be a conservation of all our energies for the purposes of the war; and certainly we in Ontario are talking in the direction of increasing the production of food products in this country, not only producing them but using them efficiently. We are devoting barley, rye, corn and wheat in some cases to the production of these liquors and spirits. The province of Ontario has declared in favour of prohibition, while we have declared that we are in favour of increased production and efficient use of what we produce; and so I say that to be consistent with one's self one must support this proposal. Either there is to be a scarcity of food or there is not, and we know pretty well that there is to be from the way in which prices are soaring to-day. This Parliament will not be doing its duty unless it does everything possible in the way of preserving the food energies of the country. When we use grain like barley, rye, corn and wheat in the manufacture of spirits for drinking purposes, instead of devoting it to the feeding of the people and the maintenance of our soldiers and citizens, securing reasonable prices of food for the men working in munition factories, we are not being true to the protestations we make as to our loyalty and desire to win the war. All these grains can be used as ordinary foods. Barley and rye both make splendid bread, and while perhaps the corn which we largely import from the United States cannot be used for bread making, all of these grains can be used for the feeding of stock, and it is as essential to increase our production of livestock in Canada for food purposes as to increase the production of other foodstuffs. You are lessening the amount of food available for mankind, and you are also lessening the amount of food available for the production of these food animals. That being the case, I say it is the duty of the Government, and I think they will see it is their duty, to take action in this respect. Certainly it seems to be the logical conclusion of what they have said heretofore, that there must be conservation of these things. I only wish to say that I should like to see it done.

But we must always remember that while the distilleries are running at high pressure and are producing a great deal of spirits, a comparatively small proportion of these spirits goes into drink. These spirits are used for the production of glycerine and other things essential in the manufacture of high explosives. It may be necessary to continue the operation of the distilleries for the production of spirits for explosive purposes, but to permit the use of these grains for any other purpose except for food would to my mind be a mistake, and would not be living up to the views we are expressing publicly here, and that the Government has stated publicly. At meetings held throughout the country every one says: Conserve your energies. So to be true and just to ourselves we have to take the position that has been proposed here to-day and, as I said, I think the Government are ready to take that position, at least it is the logical position for them to take, and I trust that they will take an early opportunity of conserving grains of this kind. In a proclamation signed by His Majesty the King the other day it was stated that the greatest care must be exercised in the use of all kinds of grains in the Mother Country, especially in feeding stock. It was stated that even the horses, except those kept for the express purpose of carrying on and maintaining the breed, would have to go without oats unless oats were absolutely necessary for them as work horses. But even that was not mentioned, it was said unless they were essential for the maintenance of the breed, that is, the brood mares and the stud horses. The same thing was said with regard to all cattle; if they had to have superior food they must have it, but if food could be spared from the use of animals and was required for the maintenance of the people it ought to be conserved in that direction. With these soaring prices for food and with our farmers in great need of food for their dairy cattle, we must do

everything in our power to conserve what food supplies we have. I was much impressed with what was said about the high price of food for dairy cattle the other day, and also by what my hon. friend from Brockville (Mr. Webster) said about the large amount of food used for the dairy herds in this province. We must make every effort to increase our production of butter, cheese, bacon and meat of all kinds in this time of war. The war is not over. It looks none too encouraging to-day in any quarter, and there may be a danger that Germany will get control of Russia and the great food supplies there, so that the Allies may not have the benefit of that source of supply. In view of all these things, this Government, I think, would be justified in adopting some such measure as that under discussion to-day.

Mr. H. H. STEVENS (Vancouver City): Mr. Speaker, I think that my views on this subject are pretty well known to the House. A year ago I suggested to the House and to the Government that the distilleries of the country should be devoted to the production of spirits for useful war purposes, and the suggestion of the hon. member from Wright contains the same principle, that is, that grains and other food products should be restricted to profitable and productive uses rather than to the production of what is generally looked upon as a luxury. However, in listening to the discussion to-day, I have not observed much effort to deal with some of the difficulties which must present themselves to every thoughtful person. It would be of little value for the Government to restrict or prohibit the use of grain or other food products in Canada for the manufacture of liquors if, by simply exporting the grain across the line, the same grain, or a similar quality, could be absorbed there in any large manufacturing institution for the manufacture of intoxicating liquor. In my estimation, we should go a great deal further. In fact, only yesterday I drew this matter to the attention of some members of the Government, and the suggestion was made that the Government should prohibit the exportation of any grains except to allied countries for food purposes. That would be going a step further than the resolution of the hon. member for Wright, but would, I think, not go far enough. Up to a day or two ago the Imperial authorities had not exercised much restriction with regard to the use of grains in the manufacture of intoxicating liquor, but I noticed in yesterday's paper despatches from the old land indicating that some action would be taken in that respect. I assume that the Minister of Trade and Commerce, who is now leading the House, will be able to give hon. gentlemen some information as to the possibility of an understanding being arrived at between Canada and the United States and the Motherland with a view to giving definite effect to this proposal. If by our example and by conference with the other Governments we could induce the exercise of similar restrictions in these three countries, some very definite and valuable results would follow.

I would like to have had some definite figures as to the quantities of grain that have been used for the manufacture of intoxicating liquors. As a matter of fact, I had intended to bring this matter to the attention of the House by proposing a motion; I have a copy of it in my pocket, and had intended to put it on the Order Paper. However, the matter has been brought up, and I regret that I have not the figures with me and that we are not in a position to know just what benefit would result from a restriction of this kind. I think we are all of the opinion that some such action as is suggested would be of definite benefit to the country. I would like to impress upon the Government the seriousness of the proposal and suggest that it receive their favourable attention at a very early date.

Mr. J. A. ROBB (Huntingdon): In presenting his resolution, the hon. member for Wright (Mr. Devlin) gave statistics to show that in the year 1916 over 3,000,000 bushels of grain were used in the manufacture of alcoholic beverages. Calculating an average of 25 bushels to the acre, it would take 125,000 acres to grow the grain required during one year for the manufacture of these alcoholic beverages. If that grain, instead of being diverted to the purpose of manufacturing an alcoholic beverage, which, as has been remarked by a previous speaker, is, after all, only a luxury, were devoted to the feeding and graining of cattle, it would grain 60,000 milch cows for one year, thus enabling the farmers to produce milk a little cheaper. Including the grain and molasses used, the value of the raw material diverted to the manufacture of alcoholic beverages in one year would be $4,250,000. I submit, therefore, in view of the fact that the hon. Minister of Finance, the Minister of Agriculture—indeed all the Government—are appealing to the people to exercise thrift and economy, that we would be amply

justified in accepting the resolution presented by the hon. member for Wright. It looks to me as if the representatives of the people in Parliament are convinced that the proposal is a sound one, and I cheerfully support the resolution presented by my hon. friend.

Hon. GEORGE P. GRAHAM (South Renfrew): This is not a temperance proposal, although, incidentally, its acceptance would be a great step along temperance lines. The proposal, as I understand it, is the diverting of certain food supplies from channels that are non-essential to channels that are essential. I say that it is not a temperance measure, because unless we make the provinces which have passed prohibition bone dry, liquor will be imported. We are asking boys at the universities to go out into the harvest fields and help to produce. In the city of Toronto there is a suggestion that the schools be closed prematurely in order that the young men may go to the farms. In the United States they are taking measures to mobilize, in a way, all the young men between sixteen and eighteen, not so much in order that they may take part in the war at the front as to have them go out into the country places and help production. We are gladly permitting our sons to do this, but should we permit them to do it if the very thing that they are producing is to be diverted from the useful purpose to which the nation intended that it should be devoted?

If the proposal of the hon. member for Wright (Mr. Devlin) were adopted by the Government, a little jar might result to certain lines of business. But the winning of the war is the paramount issue, and all private interests, even though they be far-reaching, must come under subjection to this one great end. There is not a man in this House who does not feel in some way the effect of this war, and the Canadian people, including those engaged in the business affected by this resolution are, I believe, prepared for sacrifices. If the figures just given by the member for Huntingdon (Mr. Robb) are correct—and I assume they are—we see in this proposal an opportunity of carrying out in a marvellous way the declaration of the Finance Minister with regard to saving. Over $4,000,000 can by this means be diverted into channels contributing to the winning of the war which, to put it mildly, do not now tend to that end.

4 p.m.

The question of the manufacture of liquor for explosives has been mentioned. Undoubtedly any measure adopted by the Government would have to exclude from its provisions the manufacture of liquor for explosives. As a matter of fact, several of the distilleries in Canada are manufacturing largely for war purposes, and no one would suggest that these industries ought to be interfered with; rather, they should be encouraged to the fullest extent. I am of the opinion that the use of grain for the manufacture of alcoholic beverages in Canada should be stopped and the grain sent into proper channels for the sustenance of the people, thus assisting in the great end which we all have in view, the successful carrying on of the war.

Mr. MICHAEL CLARK (Red Deer): As the hon. member for South Renfrew (Mr. Graham) has very justly observed this is not a temperance or prohibition measure. Such measures, I understand, are to come before the House before the end of the session, and we shall then all have an opportunity of stating where we stand with regard to them. This is a purely economic proposal. If I were assured that the adoption of the resolution of the hon. member for Wright (Mr. Devlin) would shorten the war by ten minutes, it would have my very hearty support. I am not, however, at all clear in mind that that would be the effect of his proposition. It might have some effect upon the war; it is conceivable it might remove the excuse that no doubt some slackers are finding and thereby increase the number of recruits, but even that I think is doubtful. I am not clear that it would shorten the war by ten minutes.

There is an aspect of the case that has not been touched upon by any preceding speaker that I should like to place before the Government before they tell us their views upon the subject. My hon. friend from Assiniboia, (Mr. Turriff) very properly pointed out that we are threatened with a very short season this year in Canada. In the northern portions of Alberta that is particularly so; large districts around where I live, including my own farm, did not have a furrow turned ten days ago. In other years on the same date, most of my own seeding and most of the seeding in that district has been finished. The House will at once see that the question of the short season is one which will come very close to the mind of the farmer when he is deciding,

at the last moment, so to speak, what he is going to do with his land. In Alberta barley ripens very much faster than wheat or oats. I do not think there is a remote chance of ripening wheat this year on my own farm—if I may mention it again—and the same remark applies to large tracts of land in the middle and northern portions of Alberta. Oats will be a difficult crop to ripen in my neighbourhood; the end of August we are liable to have frosts which freeze out the crop, and as oats, in an average Alberta season, require fully four months in which to ripen, very little calculation will show that only three and three-quarters months are left now even if the land were seeded. But the land is only being ploughed now. I do not happen to have accurate information which I can give to the House; I have not even definite information as to what has happened on my own land in the last few days, because a farmer has to make his decisions quickly; but it is conceivable to me that, having regard to the shortness of the season and the excellent prices that are being received for barley, a great deal more barley will be grown this year than in other years in the districts with which I am acquainted. If, one of the main outlets of barley happens to be through a trade which the Government takes upon itself under the War Measures Act to cut off in a moment—I undertsand that to be the proposition of my hon. friend—then I personally would have doubt about how far the farmers would go on with the extra cropping of barley that I think it is very conceivable and likely they will be undertaking. The War Measures Act is a very necessary Act or Parliament would not, in its wisdom, have passed it; but for the Government to act too rashly under that Act may very easily have the effect of producing results diametrically opposite to those intended by hon. gentlemen who urged the Government to take sudden and ill-considered action. Herbert Spencer, the great philosopher, is responsible in his books for saying that nine out of ten Acts of Parliament passed by any Parliament in Europe had diametrically the opposite effect of what the Parliament intended. That statement is not very complimentary to legislatures, but he produces a marvellous quantity of information in his books to prove the wisdom of his contention, and I think I have given to the Government good ground for seeing that it is just possible that a sudden dislocation of industry along this line may produce results disastrous rather than helpful, not only to the country but to the farmers. I do not know whether barley is used in this country as human food; we feed it on my place only to hogs and a little to cattle. It is used, however, as a food, and it may be, if the war lasts, that we shall require to use barley more than we are doing at the present moment.

The point I wish to make is that if the Government do anything too rashly under the War Measures Act, they may do more harm than good and may produce results diametrically opposite to those which I have no doubt hon. gentlemen on this side wish to ensue from the recommendations they are making to the Government. We are telling the farmer to produce, to put his land under crop. A farmer must be the judge in the main of what he produces; he knows the markets he has to deal in, and for the life of me I cannot understand a man going to a farmer and saying in one breath: Produce, and in the next: we propose to cut off under the War Measures Act a very important proportion of your market. I cannot understand the attitude of mind of one who does that. The other day we had a proposition to commandeer all the wheat in Canada, and that was right on the back of the Government having adopted a resolution to give free wheat to the States, for which boon we had been calling for five years. There is no logical connection between rejoicing over free wheat one day and asking the Government to commandeer wheat the next day, because commandeering, I need not tell this House, is a very serious interference with freedom, whether in regard to wheat or anything else. Commandeering is the autocratic action of Government. If you commandeer the wheat to-day and stop the market for barley the next day—well, farmers to my knowledge have had a very hard time for the last thirteen or fourteen years, but as a comparative amateur at the business who is just beginning to get his head above water, I should not know what to raise next.

Mr. W. B. NORTHRUP (East Hastings): Mr. Speaker, there are some questions which can be quickly elucidated, and on which after a single argument hon. members can vote intelligently; there are others which depend entirely upon facts which will assist hon. members in coming to a conclusion. The motion before the House at the present time is one of those which depend upon facts, and therefore there cannot be the slightest difference of opinion

between any two hon. members except as to the standpoint from which they will view the question. At the present time, with this horrible war raging, I would have thought that every member would be on the side of the Allies, and that therefore there would be no possible question how his vote would go when it was simply a question whether he should vote for civilization or for barbarism, for the Allies or for the Huns. The hon. gentleman (Mr. Devlin) has asked the Government to take steps under the War Measures Act to have the supply of grain to brewers and distillers immediately discontinued, and if by any unhappy chance the Kaiser had been a member of this House of Parliament, he would hold up both hands and most cheerfully vote in favour of the motion. Many of our breweries have, under local provincial legislation, closed their doors so that the quantity of grain used by brewers is comparatively small. We have, however, a large number of distilleries—the Corbyville distillery, the Prescott distillery, the Montreal distillery, the Seagram distillery, the Gooderham distillery, two distilleries at Perth, one at Hamilton, and one in British Columbia—quite an array of distilleries which are certainly using up an immense quantity of grain. The hon. gentleman asks us to stop the giving of grain to these distilleries, not one of which is to-day turning out one drop of whisky, but is turning out what is known as acetone, which is used in the manufacture of ammunition for the benefit of those who are fighting for us.

I do not think it is necessary for me to say anything more after naming these nine distilleries, not one of which is turning out a drop of whisky. There are two small distilleries at St. Hyacinthe and Berthier, and also the Walkerville distillery which are turning out some whisky, but when we find nine of our largest distilleries engaged in turning out for the Imperial Munitions Board the acetone they so much require, I think I am justified as a supporter of the Allies in voting against the motion.

Mr. DEVLIN: I wanted to say before the hon. gentleman sat down that I would willingly consent to an amendment in regard to beverages.

Mr. NORTHRUP: If the hon. gentleman will amend his motion to express what he means, we can then consider it, but at present we are considering the motion before the House.

Mr. GRAHAM: It is not a motion at all.

Rt. Hon. Sir GEORGE FOSTER: As has already been said, this question can be argued entirely apart from any predilections we may have as to prohibition or non-prohibition, strict temperance or otherwise. The question involved in this motion is an economic one, and my hon. friend from Hastings (Mr. Northrup) has pointed out the cardinal lack in the motion. It would be impossible for the House, if it had the facts in its possession, to vote for the resolution as it stands. If such a motion were carried and put into effect the result would be the stoppage of a large proportion if not the main proportion of the preparations for war that are being carried on under the auspices of the Imperial Munitions Board in this country. It is well that the facts should be placed before the House, and I have here a statement prepared by the Department of Inland Revenue, giving the figures for the last three years. In the fiscal year of 1915, the distilleries used 83,288,969 pounds of grain, divided as follows, in round numbers: malt, 6,700,000 lbs.; corn, 61,000,000 lbs.; rye, 14,000,000 lbs.; oats, 500,000 lbs.; wheat, 1, 180,000 lbs. In 1916 the total amount used was 44,971,959 pounds of grain, not much more than half the amount used in the preceding year, and that was divided as follows, again using round numbers: malt, 4,800,000 lbs.; corn, 33,000,000 lbs.; rye, 7,000,000 lbs.; oats, 169,000 lbs.; wheat, nil. In 1917 the total rose to 88,007,019 pounds, divided as follows: malt, 8,000,000 lbs.; corn, 69,500,000 lbs., rye, 10,430,000 lbs.; oats, 131,000 lbs., and wheat 27,780 lbs. That shows that the production of 1915, probably most of which was for beverage purposes, fell by almost 50 per cent in the following year, but in 1917 the figures were a little above those of 1915. The figures I have given refer to the distilleries alone. Now for the facts in connection with the increase in these figures. For the purpose of making nitro-cellulose powder and cordite, 6,000,000 lbs. of alcohol in round figures were used monthly by the Imperial Munitions Board. Without detaining the House to give the figures in detail I may say that that amount is equal to, if not in excess of, the total producing power of the distilleries in Canada at the present time, and as long as the war goes on with its consumption of explosives on an increasing scale, and as long as Canada keeps the position she occupies in the making of explosives, then entirely apart from food considerations, you have to come to

the conclusion that for the sake of the war ieself we could not shut down these distilleries by depriving them of what is necessary to make a very vital factor in the war.

On the other hand, when you come to the breweries, a different story to a certain extent is told. In 1915 the maltsters, who prepare the material for the brewers, used a total of 145,295,673 lbs. of barley, and in 1916 93,159,680 lbs., and in 1917 98,522,300 lbs.; that is, there was a very large decrease in the last two years in the amount of barley used. These are all the facts that need be given to place the matter in the light that I wish to place it in before the House. Clearly, the motion of my hon. friend could not receive the support of the Government in its present form, and probably the idea my hon. friend had in his mind in making this motion was a saving of grain for food requirements, and not the saving of grain for the making of the vital constituents of explosives necessary to the war.

With reference to the general question, I think this short debate has probably been of great use, and it certainly will be of great use if it leads us a little farther afield than simply to discuss the waste of food, if you choose to call it that, which is inevitable in the manufacture of grains into beverages. Every man settles for himself whether in ordinary times it is a proper, a beneficent, and an economic use to make of grains, our staple food, to turn them into another form which has arguably less nutritive properties in sustaining life. But at a time when food is a necessity, and drinks can be dispensed with without harm to the body or mind, the argument takes a different line, and if there is anything in the discussion this afternoon it is the appreciation that we have reached a stage in the world's history where this country does not stand isolated by itself on this question of food requirements, for it is one of the most important problems that the whole world has to face at the present moment. I am not an alarmist; I do not believe in trying to alarm people into doing their duty. But there are times when a man ought to be particularly truthful with himself and with his people, and truthful with the world so far as his influence goes; and I am here to state that it is not a trumped-up report made for a special purpose or by partisans of some special idea to say that, to-day the food question in this whole world of ours is a most important question. You have to view it not only from the point of view of the productivity of the world's food fields, but also from the point of view of transport. There lies Australia, eight or ten thousand miles away from the centres where food is required. A vessel, in order to make the voyage with her cargo of food to the place where that food is needed must consume as much time as she would consume in making nearly three voyages to nearer sources of supply. It is possible that the grain basket of the world will have to be emptied of its other contents for the use of the centres where their contents are needed, whilst Australia's millions of bushels lie there hoarded in her elevators or stored up along her lines of railway in those great picturesque, bulky packages which tower far above your head as you travel along. So that both transport and productivity are considerations of extreme gravity at the present moment. How can it be otherwise, with the whole world's commissariat turned upside down as the result of two and three-quarter years of war which has kept from thirty to forty millions of adult producers out of the fields of production, a large number of them from the farms, and which has carried along with it a surging tide of an even greater number of men and women, whom it has taken from producing fields in order to engage in the subsidiary services of the war? Add transport, add exchange, add financial difficulties, to these other two, and is it any wonder that after two years and nine months of such a world's movement, the world's commissariat should be thrown into confusion? Add to that the fact that you have not merely the common difficulties of transport but the uncommon difficulties which are injected into the situation by the fierce and all-too-successful work of the German submarine, the possibilities of which have probably not yet been reached. It is a moot question whether the surge of that undersea, piratical work will not grow in proportion to the attempts, successful attempts, to cope with it by means of devices for the destruction of the submarine.

We hope, and with reason, that the ingenuity of the Allies and the added ingenuity of that great country to the south of us that has joined the Allies, may provide the proper antidote. In the meantime, there is this menace, there is this injected difficulty in the situation. Looking at it from that standpoint, no matter what a man's predelictions are or have been if his heart is right, if he wants this battle pressed on to victory, knowing as he must know, that the soldiers and the men who stand

behind the soldiers must be fed, a man must be driven irresistibly to the conclusion that wherever you can save what is necessary for human food you ought to save it, wherever you can produce what is necessary for human food, you ought to produce it.

Now, let us not make the mistake of dwelling entirely upon one side of this question. There is a deal of talk in the newspapers and elsewhere—and good talk and there is behind it a lot of earnest, practical endeavour—in favour of getting out the hoe, the spade, and the plough, and adding to the productive results of agricultural work. Everybody is engaging in this work and it is a splendid thing. But let me tell the members of this House, and all others whom my words may reach, that there is a way of adding to the contents of the world's bread basket even more effectively than by getting out your hoes and spades and ploughs and aiding by actual production. What is that way? That way is to save at least half of what we are wasting now. If the seven millions of people in this country would save half of what is being unnecessarily used you would have a larger effective contribution than you can have by any extra effort in this single year, by a spurt within the two or three weeks available in seeding and planting time. What we have got to do is not only to produce, but to save—to save everything that is savable.

So, again I say, and not as an alarmist, that if one thing is more grave than another in this whole situation, it is the question of feeding the Allies for the remainder of this war, and more particularly for the next six months. Consider the situation. The decrease of transport tonnage is constantly going on. Unfortunately, it is possible to sink a six thousand ton vessel in two minutes; unfortunately also, the shipyard can not produce the equivalent of that vessel inside of from five to nine months. With all the spirit that is being put into the construction of merchant shipping in Great Britain and Canada, and is to be put into it in the United States of America, there is not much chance of any relief until the latter part of 1917. The critical time is between now and then. What food we can save as a contribution to the Allied cause in these six months which are upon us and are passing rapidly, it is the essential duty of every man and every woman to save. Now, I am afraid I have been led into making a speech, but, I want to alleviate, if I can, the quandary into which my hon. friend from Red Deer (Mr. Clark) led the House. It was as to what might be the effect if we rushed into the exercise of our powers under the War Measures Act and suddenly stopped the outgo of the farmer's barley along the channel of making malt for brewers. The hon. gentleman asked a question; it was a pertinent question, and many farmers would ask: Why do you ask us to produce and then, with the next stroke of the pen, take away from us the market for the grain which this year, under present circumstances, we can most easily and most certainly produce; especially in certain sections? Why do you do that? After all the farmer must have his market, the manufacturer must have his market, and everybody else who makes things must have a market. But it is not necessary that anybody shall have a market if he has not something that is essentially necessary and which the community needs at the present time.

The first thing to find out is the essential need of the hour, for the community and for the world. The essential need of the hour for the community and for the world to-day is food in the shape of grain made into bread and not anything which has less value and which goes through more circuitous methods. I am not a farmer, but I am quite sure that the barley will be needed, and can be used in one of two ways. When I was a boy I had to eat barley bread. I owe a great deal of mental activity, such as I have, to the barley bread and the rye bread that I ate in my early youth. I think that I could go back to barley bread now and that I could relish it. The other use for barley would be to manufacture it into beef and pork, and so add to the food production.

Do you know that to-day in Great Britain—and I mention this so that it may shame some of us into some of the self-sacrifice that they are making at the present time—you cannot get a single ounce of white bread within the whole realm? No white flour is allowed to be made by the miller, no grain is allowed to him for any other purpose than to make a flour that takes from 81 to 85 per cent of the stuff out of the husks and that makes you a darker bread. They eat it on the King's table, they eat it on the duke's table, on the miner's table and on the millionaire's table, and they do not grumble about it. To-day, if you were in Great Britain and you took out your tooting horn automobile, you

would have to get some ethereal thing or other to make it go; you would not get an ounce of petrol in Great Britain to carry it around for anything but an absolutely necessary purpose. To-day, if you were in the United Kingdom, you would have to go without your luxurious dining cars and dinners on the cars. The dining cars are taken off from every railway in Great Britain—there may be one exception or so on a long route. The Pullmans are gone as well. They are reducing themselves down in all these ways to the old, simple necessities and conveniences of life. They are sacrificing themselves in every respect. On this very question of brewing, months ago, the amount of beer that the brewers would be allowed to make in the United Kingdom was cut down to one-fourth of the average of the years past. Within three weeks a decree has gone out from the Controller of Food in the United Kingdom that no longer shall grain be given, or provided, or used for brewing purposes. They have come to it gradually. They do it, not because they do not believe in beer or whisky, or alcohol, but because the necessities of the case drive them to it. We are flesh and blood of the Empire. We are part and parcel of this great united Ally war. What it is so necessary to suffer in one country in the way of self-sacrifice it is equally necessary to suffer in another if we are to have equality of service and equality of distinction in carrying and bearing the burden of the great war we are going through.

I fear that my earnestness has carried me farther than I should have gone, but I do want again, before I sit down, to say that what we in Canada could do we have done in many respects but not in all. I was in the city of Washington for a few days very lately. I had been in the United States more or less since I was a boy, but I tell you that it warmed the cockles of my heart, it suffused me with a feeiing of infinite satisfaction to hear from high and low, from the President of the United States down to the man on the street, the woman in the home, so hearty, so undiluted, so absolutely wholesouled appreciation of what Canada has done in this war. I tell you the sacrifice, the heroism, the splendid gleams of real suffering and sacrifice that have been shown by Canadians in this war have cemented us as Canadians to the people to the south of us as they have to the people in all allied countries. Are we quite worthy of it? Some have gone and fought and died. Others have gone and fought and been maimed. Others have gone and have fought and will fight and come back whole in body and in mind. But the people of Canada, through and through, by and large, do not know the meaning of self-sacrifice and burden-bearing in this war. We must come up to the standard, and we can only come up to it by self-sacrifice, by saving and by producing that which is right and good for the necessities of the hour.

I am not going to say what the Government is going to do in this respect. It has not been brought to the attention of the Government for the first time to-day by my hon. friend (Mr. Devlin). It is a matter which has been at work in men's minds in this country, it is a matter which has been brought to the attention of the Government, and it is a matter to which the Government at the present moment is giving its serious consideration. What will happen, we shall see as future events uncoil themselves, but I, for one, stand by the argument I have made and it is a fair, sound argument which will prevail in our country. Then, I suppose, my hon. friend does not wish the House to adjourn?

Mr. DEVLIN: No, I am quite satisfied; I will withdraw the motion.

Motion withdrawn.

SEED GRAIN—EASTERN CANADA.

On the Orders of the Day:

Mr. C. A. GAUVREAU: Is the hon. Minister of Agriculture ready to give me the answer promised yesterday by my hon. friend the Solicitor General?

Hon. MARTIN BURRELL: My attention was called yesterday to the remarks made by my hon. friend the member for Temiscouata (Mr. Gauvreau), who cited a passage in L'Evênement respecting the distribution of grain in Quebec and in the east. That was answered, I believe, fairly fully by the Solicitor General, but my hon. friend and the House will pardon me if I give a little fuller information. The article quoted from L'Evênement was substantially correct. About last October, the investigations made by the department led us to believe that there would be a very great scarcity of first-class seed grain in western Canada, owing partly to the fact that there had been a great prevalence of rust, and also to the fact that the demand for the high grades was so strong that a very large proportion of it would likely go to the United States.

So, on October 7, an Order in Council was passed giving powers to appoint a commission for the purpose of purchasing seed grain and grading it, cleaning it and selling it to the municipalities and farmers at cost. It was intended at first to supply municipalities, for the reason that there were about thirty municipalities in the West which, from our investigations, we found would have practically no grain suitable for seed; and, accordingly, on the passage of the Order in Council, a commission was appointed and we commenced operations under that Order in Council. Under that Order in Council the selling was not confined to the West, although it was intended primarily to fill the needs of the West. It was also applicable to the East, and to some extent seed grain, wheat, was also shipped to the East. A little later on we anticipated an unfortunate condition in regard also to seed oats and barley, because there had been injury from frosts in some districts, and we had information which led us to believe that Ontario and the East might be short of seed oats. So in December another Order in Council was passed which enlarged the powers of the commission and enabled them to operate in regard to oats and barley practically in the same way as in regard to wheat, and during February and up until the 10th of March we carried on a propaganda in the way of advising the press and the banks and the large grain dealers all through Eastern Canada, Ontario, Quebec and the Maritime Provinces, as to what the facts were, and that if they applied they would be able to get oats and barley, and, to some extent, wheat, in carload lots. Later on requests came from Quebec, too late for transportation from the West, and we then were able, through our departmental officers, to locate seed grain in the East, in the elevators and at other points. We were able to get quotations on seed grain which we would, of course, grade and pronounce fit for seed, and we so advised the departments of agriculture and also large dealers in Quebec and the Maritime Provinces. As far as I know the demands have very largely been met throughout the whole of Canada. I may say that some farmers in the West lately have been getting the seed grain at even less than market price for this reason, that we conceived it to be absolutely essential to get in every acre of land we could this year with the best seed grain, and in one or two cases, where the municipalities and the local Governments guaranteed that the grain would be used for seed, we let them have it at a price that remunerated us, without giving us any profit, but was substantially lower than the market price. We have bought, cleaned, graded and sold to the municipalities and to farmers more than 600,000 bushels of seed wheat of excellent quality, and we have sent to Ontario and Quebec and the Maritime Provinces alone nearly 200,000 bushels of oats and a little barley. But that will give my hon. friend all the information he desires, although if he wishes it I shall send him a copy of the Order in Council.

THE POTATO SUPPLY.

On the Orders of the Day:

Hon. MARTIN BURRELL (Minister of Agriculture): May I make a remark on a question raised by the hon. member for North Cape Breton, that is, the supply of potatoes. He read a telegram from somebody in Quebec complaining of the shortage and asking what could be done to get potatoes, as they could not get them from New Brunswick. I told my hon. friend that I would secure any further information. We have dispatched a large number of telegrams all over the country to the officials to try to obtain further information on that question. I have been informed by the Department of Agriculture in Nova Scotia that while there is no available surplus of potatoes there are probably enough for seed and for domestic use in that province. As to Saskatchewan, I have had a telegram from the Minister of Agriculture, in which he says:—

> We have ascertained potato supply approximately adequate. We know of a few carloads for sale, and no acute shortage.

I have a telegram also from the Minister of Agriculture for Quebec only this morning, because Quebec was supposed to be suffering from a shortage:

> I have not any precise information as to the exact quantity of potatoes in Quebec at present. Certain districts have slight surpluses, placing them in position to supply other districts where there is a shortage. But the quantity available to-day is very small. We have received several applications since a few days.

I have a telegram from Alberta which is not at all clear. Alberta reported a surplus in March of 800,000 bushels. The telegram I got was so vague that it did not make the matter clear, and I telegraphed again for further information.

The other western provinces, Manitoba and British Columbia, I have not heard from; I imagine that they have not more than enough for their requirements. The

only provinces, therefore, which are left, apart from Ontario, which is short, are New Brunswick and Prince Edward Island. I am informed by telegram from official and unofficial sources that in New Brunswick there are probably now available for seed outside the province somewhere about 50,000 to 70,000 bushels, and that in Prince Edward Island probably 100,000 bushels will be available for the outside market, that is the rest of Canada. I have passed that information on to the ministers of Quebec and particularly to Ontario, where, of course, they are more or less in need.

It was stated the other day that we ought to take somewhat fuller steps, and I pointed out at that time that we considered the provincial machinery was so much more effective than ours in keeping them in close touch with the farmers through their district representatives, etc., that they would probably be able to deal with the potato question more effectively than we could, because it is entirely different from grain, which we can deal with through the officers of the Seed Branch. As a matter of fact, the Deputy Minister of Agriculture for Ontario was here early in March and informed us that he was taking steps, and I understand that recently they have been bringing in potatoes and doing what they can to relieve the districts which are short. It was stated in the paper the other day that Dr. Creelman, who has lately been appointed Commissioner of Agriculture, had said that I was trying to shift the responsibility from my shoulders. I very much question whether Dr. Creelman ever made such a remark. Indeed I understand that at about the time he was appointed he stated through the press some of the plans he had in contemplation in respect to these questions.

May I also say one word on a different phase of this subject, which the hon. member for West Middlesex (Mr. Duncan Ross) intended to bring up in the House. My hon. friend spoke to me personally about the matter. A great many inquiries have been made as to whether the Government would do something in the way of guaranteeing the price of potatoes. Of course, this raises a very large question which could hardly be discussed at this time. The question of guaranteeing a minimum price is a very difficult one. England has guaranteed a minimum price of potatoes of about $30 a ton, or about 75 cents a bushel. England is threatened with an extraordinary shortage. She is a very heavy importing country, whereas we are an exporting country of all agricultural products, including potatoes. In my province last year thousands of tons of potatoes sold at as low as $7 and $8 a ton, from 20 to 25 cents a bushel. If, therefore, under conditions of that kind the Government guaranteed a minimum price which would be regarded by some as fair, the Government might have to pay out on their guarantee from $10,000,000 to $20,000,000 on that one commodity. I think those who have looked into the matter agree that under conditions as they are now and promise to be, there is very little likelihood of the price of potatoes being such as not to afford ample remuneration to the farmer. With regard to the question as to whether we should fix a maximum price, I may say that I received to-day, from the same district as that from which my hon. friend's telegram came, a long letter affirming that the Government should affix a price of, say, $1.50 a bushel, which the writer thinks would be a reasonable price. The House must know that the fixing of a maximum price on commodities is an extraordinarily complex thing. England has not attempted it on any large scale, though she may come to it. In Italy it has broken down; in Germany it has, to some extent, broken down. In the United States they are giving the matter the most profound consideration. Secretary Houston admitted only the other day that the fixing of maximum and minimum prices for foodstuffs would not be a wise measure except as a last resort. The question presents many difficulties; as the hon. member for Red Deer has suggested, legislative action has often quite unexpected results, and fixing a maximum price might even tend to restrict production. After all, a high price is the very best spur to production, as it is also the very best spur to economy.

Sir WILFRID LAURIER: By your leave, Mr. Speaker, may I ask my hon. friend whether the Government sends the seed grain to the municipalities, or to the farmers direct?

Mr. BURRELL: First of all to the municipalities, and to the farmer direct as well. It is sent to the dealers and farmers as well as to the municipalities. In the east it is sent only in carload lots, because that is obviously the only possible way.

Sir WILFRID LAURIER: Is this done by the Government itself, or through the commission which was appointed?

Mr. BURRELL: Through the commission, acting under the direction of my department. Of course, we sell for cash. So satisfactory have been the transactions and so whole-hearted has been the co-operation of all the provinces and municipalities, that up to May 7, the Receiver General has received through our commission, by way of amounts paid in for the grain, no less a sum than $898,000.

Sir WILFRID LAURIER: I observe that my hon. friend has cited two or three Orders in Council which have not been brought down to the House. I think they should be brought down.

Mr. BURRELL: I had an idea that they had been brought down. If not, I shall be very glad indeed to lay them on the Table.

Mr. PROULX: Has the hon. minister any more grain available for seeding.

Mr. BURRELL: Oats and wheat are still available, though it would be rather late to get in wheat now from the West.

Mr. NESBITT: By your leave, Mr. Speaker, I would like to point out to the minister that some time ago he gave an interview in the course of which he said that there were in the country one or two million bushels of potatoes more than were required. He said this afternoon that there were not enough potatoes. Is that the case? In a farming community we are paying as high as $1 a peck for potatoes.

Mr. BURRELL: My hon. friend could not have been in the House the other day when I spoke about that. A considerable surplus was estimated early in March, but since that time a large amount of potatoes has gone out, attracted by the high price in the United States. The condition in the United States is exactly as it is here. Potatoes in the United States are worth $3 a bushel and even more; there is a big shortage. Because of the high freight charges from British Columbia to the East on such a heavy commodity as potatoes, naturally there would be a steady flow of that surplus from my province into the United States. I can not tell my hon. friend the exact amount that has gone out though the amount is large, or what the surplus is now, because I have not received definite word from Alberta, which is supposed to have a considerable surplus. Unquestionably the surplus of a million and a half bushels has been steadily melting away, and I question very much whether there is now any or much of a surplus in the country. I think I have referred to the two provinces which have an available surplus.

Mr. NESBITT: My reason for making the inquiry is this: A great many potatoes were shipped to our section of the country from British Columbia and Alberta, but when the winter came on these shipments fell off, because the railway charge so much for a car for heating, and shipping becomes rather expensive. If there is still a surplus in British Columbia and Alberta, it would be a very good thing if the minister would let the country know about it. Potatoes are perishable, and any surplus might very well be shipped to the East.

Mr. BURRELL: I can only repeat what I have already said. We have given all the information that we have received up to date. I wired to the Ministers of Agriculture for Ontario and Quebec this morning, informing them as to the conditions, and told them that as soon as I got fuller information from Alberta, it would be sent to them.

SEPARATION ALLOWANCES.

On the Orders of the Day:

Mr. MICHAEL CLARK (Red Deer): I see my hon. friend the Minister of Militia and Defence in his place, and I should like to call his attention to a matter as to which I made a private communication to him. I have had a number of letters complaining of some apparent slackness in the way that the separation allowances arrive in the hands of the wives of men at the front. I understand that other members have had similar communications. In the case of one correspondent a reply was made from the department that when a married man at the front is reported missing the pay is cut off for three months. That seemed to me to be a very peculiar thing to do, because no one would miss the man more than the wife he has left at home, and there would be no moment in her life when she would need the assigned pay more than in those three months. If it is in the slightest degree inconvenient to the hon. minister to reply now I am willing that he should postpone his answer. I am sure that a number of people in the country would be glad to know, in a short statement, the way separation allowance is granted, and to have the assurance that no distinction is made be-

5 p.m.

tween one person and another in the carrying out of the regulations.

Sir EDWARD KEMP: The administration of separation allowances and assigned pay is very intricate and difficult. It will interest all the members of the House and perhaps the public, if I make, with regard to the matter, a complete statement which will cover the whole situation as regards delays, alleged irregularities, and matters of a similar nature. The particular matter to which my hon. friend from Red Deer (Mr. Clark) has referred is that of a man who was reported missing and who had his pay cut off. No official notice would come that the man was missing until sometime after the event occurred, and just what action would be taken in this particular case, I cannot say. There are, in connection with the administration of separation allowance, almost as many combinations as can be made out of the alphabet. Perhaps that is an exaggerated way of putting the case, but it will convey the idea that I have in mind. This is the statement to which I refer:

Separation Allowance and Assigned Pay.

There are now being issued monthly from Ottawa 150,000 cheques for assigned pay, and 90,000 for separation allowance, in all, 240,000 cheques each month. In the past, there has been some delay in getting the separation allowance cards and assigned pay rolls. It is estimated that this delay has occurred in 10 per cent of the cases, and varies from two to six months. If the pay officers were authorized to pay every one on their own application, there would undoubtedly be fewer complaints, but if this were done, a vast amount of public funds would be improperly paid out, as hundreds of claims are received every month, which, on examination and inquiry, are found to be invalid, or outside the regulations, consequently care has to be exercised when placing new names on the list.

Delay has resulted from many causes, viz.,

(a) Inexperienced paymasters, particularly on formation of battalion.

(b) A sudden and large increase in the volume of business.

(c) Inexperienced clerical staff.

(d) Difficulty in getting accurate and quick information from overseas.

(e) Soldiers neglecting to fill up separation allowance cards or to make assignments of pay,—in a great many cases for personal reasons.

(f) Battalions suddenly ordered to proceed overseas, and embarking without leaving assigned pay rolls, or any information respecting them. This has happened in a great many cases.

(g) Instructions from overseas to stop payment; usually no reason being given.

(h) Change of address. Thousands of such notices are received every month, and some women change their abode every few weeks, and often without notifying the department.

(i) Incomplete information on the assigned pay rolls or separation allowance card, necessitating correspondence often with the authorities overseas, if the battalion has left Canada.

Many regimental paymasters failed to do their duty in not ascertaining from the men themselves, by personal interview, whether they had dependents or not. They left it to the men themselves to make application for separation allowance, and to assign a portion of their pay. The result was that quite a percentage of the men in these units, either through ignorance or carelessness, did not make any application. The wife or the mother in the meantime was expecting her allowance, and perhaps some months afterwards would write complaining about it. It would then devolve upon the pay branch at Ottawa to make inquiries, which always takes time, and hence delay.

There has undoubtedly been delay occasionally in the pay branch at Ottawa, owing to inexperience or carelessness of clerks in the pay offices. There has been a great deal of difficulty in getting a competent staff, and often during the past eighteen months, a half a dozen of the best trained would leave at once to join an overseas unit. Many left also to take up permanent positions elsewhere, or because they were offered higher salaries, consequently there was always a very large percentage of absolutely inexperienced clerks. As a rule, however, the clerks have worked long hours and very diligently, and a very small percentage of the delays can be traced to them.

In considering this matter regard should be had to the great distance the force overseas is from Ottawa and as already stated the difficulty in getting necessary information quickly when the soldier concerned is in France or England. Moreover, a great many complaints are received as a result of stopping assigned pay. The instructions to stop payments are received from the overseas authorities, and such cases are very numerous. We have to comply with these instructions, as the soldier's pay account is kept in London, and all assigned pay issued here is charged against him there.

Another grievance is that when a soldier is promoted, action is not taken here at once to increase the separation allowance. The reason for delay is that it takes a long time to get this information from overseas; in fact it is usually necessary to write for it. The soldier, of course, informs his wife or mother immediately he is promoted, which, as a rule, occurs in the field, but the officer dealing with the promotion does not take action so quickly, and when he does, advises London office, which in turn should advise this office.

As an instance of delay, the very last application for separation allowance and assigned pay may be given. This particular case was presented through Mr. F. L. Schaffner, M.P. The facts are as follows: It is the case of the mother of Private P. B. Smillie, whose father died after his enlistment, and consequently the mother claimed separation allowance from that date, on the ground that her son was her sole support. The first letter received from her was in December last in which she stated that her son had enlisted in the 46th Battalion. The records of the 46th Battalion were fully gone over, and no trace of Private Smillie could be found thereon, and his mother was so informed. In her reply dated 19th January, she did not state which battalion he was in, but in a sub-

sequent letter received from her on the 21st January last, she stated he was in the 65th Battalion, not the 46th, as first stated. The nominal rolls of the 65th Battalion were examined, but there was no assignment shown thereon, and Mrs. Smillie was duly advised of this on the 1st of February. At the same time, the chief paymaster, London, England, was written asking if he would communicate with Private Smillie with a view of having him make such an assignment. On the 16th February last, a card for separation allowance from the chief paymaster, London, was received, and this card was forwarded to Reverend J. Hunter, Belmont, Manitoba, asking him to certify on the card that the soldier was the sole support of his widowed mother. On the 27th of March, authority was received from the chief paymaster to open an account for assigned pay at the rate of $15 per month from the 1st of February, 1917, and a cheque for February and March was forwarded by registered mail on the same day to Mrs. Smillie. Early in April last, the necessary certificate for separation allowance was received from the Reverend J. Hunter, Belmont, Manitoba, and separation allowance was granted from the 1st of April, 1917, and a cheque forwarded to Mrs. Smillie. On the 13th of April, Mrs. Smillie was advised that the matter was being considered as to whether separation allowance should be made retroactive. This is in accordance with the usual practice of the department.

Private Smillie evidently did not make any assignment until he proceeded overseas, and it was only after the chief paymaster, London, took up the question with him that he did make an assignment. This made it effective from the 1st of February, and not from a date prior to this, as claimed by his mother. Mrs. Smillie, moreover, in her communications to the department did not give her son's regimental number and corps, which, of course, necessitated a great deal of research, as without this information it is necessary to go through a great many thousands of files—there being some 300,000 of these in the registry. In her last letter, Mrs. Smillie makes the accusation that the delay in her case was undoubtedly due to their being a great number of "snobs" in the department, who were inattentive to their duties, whereas, the fault undoubtedly was due to her son not making any effort to obtain her separation allowance and assigning her half of his pay, until the matter was taken up with him personally by the chief paymaster, overseas. It will thus be seen that the department took a great deal of trouble in order to get the matter adjusted. This case is cited as a very fair sample of the difficulties which the department are up against in dealing with these cases.

I have in my hand a pamphlet containing four army orders of the British army for April, and the British authorities are having in respect of this matter exactly the same difficulties that we are having here, but their difficulties are less complicated as the British authorities are, so to speak, on the scene, having large numbers of soldiers in England and being near France, whereas we are far away. Nearly two pages of this pamphlet are devoted to explanations of difficulties in the way of administering separation allowance, and in some respects the difficulties are identical with those which I have just cited. We are all in the department very glad to answer any inquiries, but sometimes, before we can give a definite answer, we have to cable to Great Britain. The paymaster of a battalion may be a man inexperienced in keeping accounts; in fact, sometimes officers from the headquarters staff here follow battalions to Halifax to try to get their accounts straightened out and their separation allowance and assigned pay cards so arranged that the soldiers' relatives will get their money at the proper time. Sometimes we have to send officers over to England on the ships in order to get the accounts of some battalions straightened out, these officers returning to Canada on the arrival of the vessels in England. The soldiers arrive in England, then they change their abode in England; they go to the front and their address is changed again. If they are unfortunate enough to be wounded, they are taken from one base hospital to another, then from France to England and from England back to Canada. Their wives and relatives here also change their addresses frequently. Delays are also occasioned by mistakes made by inexperienced clerks. We have in the department many invalided men who have devoted their energies to straightening out the separation allowance branch and other branches of the department. In that branch at Ottawa there are about 600 clerks employed, and one or two of the heads of that particular branch have already broken down through ill-health caused by over-work. On the whole, however, I can assure my hon. friend from Red Deer that every effort is being made to improve the work of that branch.

AGRICULTURAL LABOURERS FROM THE UNITED STATES.

On the Orders of the Day:

Mr. J. J. HUGHES (Kings, P.E.I.): Mr. Speaker, I wish to call the attention of the Minister of the Interior (Mr. Roche) to this telegraphic despatch that has appeared in some of the newspapers published in Prince Edward Island:

> Chicago, April 26.—Five hundred students of the Agricultural College of the University of Illinois left here last night for Saskatchewan to help produce the war-winning wheat crop. The Dominion Government has guaranteed minimum wages of $50 a month and board, part of railroad fare, and 160 acres to all who serve six months in the fields.

I wish to ask the minister if the statements in this despatch are correct or partly

correct. Perhaps he could tell me how many persons have been brought into western Canada from the United States for the purpose here mentioned, what privileges were extended to them, and whether similar privileges will be extended to persons who wish to go to the West from say the province of Prince Edward Island.

Hon. W. J. ROCHE (Minister of the Interior): Some of the statements contained in the despatch are partly correct. There has, of course, been a very great shortage of agricultural labour in the western provinces, and the National Service Commission in conjunction with the Immigration Branch of the Dominion Government have taken the matter up with the governments of Manitoba, Saskatchewan, and Alberta with a view to getting agricultural labourers from the United States. Our information was that there was a scarcity of labourers in other provinces of the Dominion, and we therefore could not look to the eastern provinces to supply labourers for the West, so an arrangement was made between the provincial governments and the Immigration Branch by which agricultural labourers coming from the United States could receive tickets at three points at the rate of one cent a mile. The three points were Duluth, St. Paul, and Spokane, and the balance of the fare was to be borne equally by the government of the province to which the labourer went, and the Dominion Government. The statement as to the granting of 160 acres is, of course, not correct. Any person has the privilege of taking up a homestead of 160 acres, and any person who does so this year will be allowed to count the time which he spends with a farmer as an agricultural labourer, as residence on his own homestead; that is the extent of the privilege with regard to homesteads. The despatch is wrong in saying that there were 500 students, as my information is that on the 2nd of May there were only 196 or 197 students. I do not think it would be wise to extend the same privileges to farm labourers in our provinces, as our information is that nearly all the provinces are short of labour themselves. Of course, farm labourers from Prince Edward Island, or any other province, would be allowed to count the time they spent with a farmer, just as would these labourers from the United States, but they would not be granted the same privilege as regards railway fare, because the railways in Canada would not make such an arrangement.

[Mr. J. J. Hughes.]

Mr. J. J. HUGHES: The telegram said that the Government was guaranteeing a minimum wage of $50 a month and board.

Mr. ROCHE: I omitted to say that the Dominion Government has not guaranteed any wage at all. The extra agents who have been sent to the United States by the Dominion and Provincial Governments, six of them from Manitoba, ten from Saskatchewan, six from Alberta, and a like number from the Dominion Government, would no doubt try to induce agricultural labourers to come here by telling them that the prevailing rate of wages was from $40 to $55 a month, but there was no guarantee at all.

THE BUDGET.

DEBATE ON ANNUAL STATEMENT OF THE MINISTER OF FINANCE.

The consideration of the proposed motion of Sir Thomas White (Minister of Finance) for the Committee of Ways and Means, and the amendment of Mr. Turriff thereto, was resumed from Friday, May 4.

Mr. ONESIPHORE TURGEON (Gloucester) (resuming): With your permission, Mr. Speaker, I will now resume my remarks on the Budget, which were interrupted by the adjournment of the debate last Friday. I am confronted now by somewhat different circumstances, for, instead of the Minister of Finance leading the House, we have now the Acting Premier himself, just returned from the Capitol of the United States, where it has been his lot to take counsel with the representatives of the three great democracies of the world. I am sure that the name and fame of Canada have not suffered through their representative the hon. Minister of Trade and Commerce. I am sure he has been able to meet with the dignity becoming a representative of Canada, those great statesmen and orators of our Allies, and I fear that in coming back to this House his first task of listening to me will fall very heavily upon him.

Sir GEORGE FOSTER: I will suffer that willingly.

Mr. TURGEON: I can not promise him that brevity which characterized the speech of the Minister of Finance in presenting the Budget. I have not that command of facts and figures that I can say much in few words. Moreover, I intend to deal with many subjects which are not in the Budget, but which, in my judgment, should have been. Although the right hon. gentleman who is leading the House is very properly giving his attention to international duties there are also duties for him in Canada,

for we are not supposed to neglect our duties at home while we are fighting for the Empire.

The Minister of Finance endeavoured to show the great prosperity of Canada by export and import figures. He showed that for the year ending March 31, 1917, our exports and imports aggregated $2,043,000,000, and the amount of revenue for the last four years was also given. The revenue for the year ending March 31, 1917, amounted to $232,000,000, of which $134,000,000 was derived from customs, $34,000,000 from excise, and $12,500,000 from the business profits war tax, which latter figure the Finance Minister hoped would amount at the end of the accounting period to $15,000,000. Out of this revenue the Minister of Finance has paid off the ordinary and capital expenditure of the past year, and has been able to apply $60,000,000 to the payment of our war expenditure, or about 10 per cent of the war expenditure so far. Before the outbreak of the war, our National Debt according to the Minister of Finance amounted to $336,000,000. It now amounts to $900,000,000, and before the end of the fiscal year the Finance Minister thinks it will likely reach $1,200,000,000. The minister tells us that the most striking aspect of our affairs is the increase in our international trade. And he gives the total of that trade for the year ended March 31 last as $2,043,000,000. He did not give a statement of the imports and exports, saying that he would prefer to give these figures in committee. But the Solicitor General (Mr. Meighen) tells us that in 1916 we sold to the outside world goods to the value of $1,178,000,000, and bought from the outside world $864,500,000 worth, an excess of exports over imports of $314,000,000. He informed us also that our exports of munitions might be estimated at $300,000,000, and said that, even deducting that amount, our exports would amount to $878,000,000. But we must allow also for the greatly increased prices since the war, if we are to estimate fairly the increase in the quantity of goods exported. We find that our exports of breadstuffs to Great Britain for 1916 were valued at $198,281,735, while those of 1915 were valued at $113,140,435, an increase for 1916 of $81,141,300. But the quantity of grain exported in 1916 was not much greater than that of the year before. This shows that the value of such exports was inflated by the increased prices. If the prices of the days before the war still prevailed, the value of our exports would be represented by very much smaller figures than is the case to-day. The Minister of Finance regarded our great foreign trade as a sign of prosperity in the country. During the recess of the House many members on the Conservative side, addressing meetings in their several constituencies, have cited these figures as evidence that the country is now enjoying greater prosperity than ever before. I have no doubt that they have placed these figures and this conclusion before their electors in all sincerity. But when we consider the cause of our present prosperity, I claim that it is not a prosperity to gladden the heart of the true Christian, while it must sadden the mind of the economic thinker to contemplate the transition period which our country must face when the bugles sound for peace and we must seek a permanent basis for our manufactures and commerce. All winter in my own town I have observed the movement of the munitions trains on the railway toward our winter ports of St. John and Halifax. I could not but realize that for every one of these trains that was moving over our lines the Huns were moving ten trains carrying weapons of destruction against the sons of Canada and against all the soldiers of the Allies. And I said to my neighbours: These cars are not the signs of progress, prosperity and happiness, but of universal grief and mourning. So we must not depend upon the figures of our present exports of the weapons of destruction and the materials to make and load those weapons as assuring our prosperity, we must look to the future and not merely to present conditions which we know to be but temporary. As true Canadians we are willing to pay the debt which is now accumulating because of this war. We face our responsibilities with courage, still ready to carry our sacrifices to the limit of which we have so often spoken, "our last man and our last dollar," in order to insure victory for the Allies. When peace comes, we shall be ready, I hope, to do what the French people did in 1871 when they paid the immense indemnity which had been demanded of them, paid it in full and far in advance of the time allowed, in order that they might be under tribute to their enemy for as short a time as possible. Even though our public debt should amount to nine or ten billions, we will remain Canadians and animated with the same principle of justice and Christianity for which we have battled in this war. For this is a fight for our liberties, it is a

fight for the principle of Christianity. And when the war has ended shall we leave the debt to be met by future generations? I believe that we should do everything in our power to meet, while we are living, as large a part as possible of the debt incurred in this war. To my mind, the additional war tax which the Minister of Finance has imposed should have been imposed last year, or two years ago, as was proposed by hon. members on this side of the House. In order that I may follow more intelligently the remarks of the Minister of Finance, let me read this resolution:

Resolved, That it is expedient to amend the Business Profits War Tax Act, 1916, by providing:—

1. That in any business taxable under the Act where the annual profits exceed fifteen per centum per annum the tax shall be increased to fifty per centum with respect to all profits in excess of the said fifteen per centum but not exceeding twenty per centum per annum, and where the profits exceed twenty per centum per annum the tax shall be increased to seventy-five per centum with respect to all profits in excess of the said twenty per centum, and such increases in the tax shall be levied against and paid by the person owning such business for each and every accounting period ending after the thirty-first day of December, one thousand nine hundred and sixteen;

2. That for the purposes of the said Act, the actual unimpaired reserve, rest or accumulated profits held at the commencement of an accounting period by an incorporated company shall be included as part of its capital as long as it is held and used by the company as capital;

That any enactment founded on this resolution shall be deemed to have come into force on and from the eighteenth day of May, one thousand nine hundred and sixteen.

What I regret most is that it has not been made to date from May, 1915, instead of May, 1916. It was then that the largest profits were made by those making munitions. We all remember that after the hon. member for Richmond (Mr. Kyte), in his speech in this House, made the accusation that excessive profits were being made by some contractors and Government agents, many of these profits were curtailed. If for nothing else, the hon. member for Richmond deserves the gratitude of the people of Canada in calling attention to these excessive profits. But this resolution, after all, allows the big corporations from 15 to 20 per cent on their paid up capital before they are touched by the Government taxation. In these strenuous times, and in the presence of this horrible war, the Minister of Finance should have grasped for the country the whole of the remaining percentage above that profit. Perhaps, as in the case of the war profits tax at the beginning, the imposition will fall most heavily on the companies that have been operating with a small capitalization, and which therefore show larger profits. The large interests that have operated from the first and made large profits have generally issued sufficient stock in all denominations to increase their outstanding capital to such an extent that they seldom show a profit of 15 per cent, and, therefore, they will not be affected by this new proposition.

We have had suggested—and I have myself suggested—to the Minister of Finance that he should introduce an income tax in this country. The answer is that the revenue derived from an income tax would not amount to more than the expense of collecting it. That might depend on the basis that you adopt for the adjustment of that income tax. Meanwhile, I may say that I believe there are many people, and many classes of people, who should pay an income tax, and that such a tax would give to the country a revenue which would be available for the elimination of the war debt. The railway corporations would not be affected in their corporate capacity, I know, because there is no profit for them in the operation of their railways under war conditions, but our railway magnates have large incomes from other sources, which would be taxable and which would give a good return to the country. The property owners in the cities, as well as in country districts, who are in comfortable circumstances, might also pay an income tax. Some say that the farmer is the one man who will not stand such taxation. The farmer is just as devoted and as patriotic as any one of us in this country. Give the farmer the markets of the world, give him what he needs for the operation of his great industry at the lowest possible cost and when he has reached the stage of comfort in his circumstances he will pay his income tax as well as his neighbour. Who has been more patriotic during the last three years than the farmer? Who has been of more service in carrying on the war, who has given more to the cause of civilization, than the farmers of Canada? Fifty or seventy-five per cent of the soldiers at the front have gone from the farms which, perhaps, to-day, are suffering from the want of their labour.

I claim that taxation is more advantageous than loans because it eliminates interest on the amount you raise. If you raise by loan $10,000,000 to pay one item of expenditure during twenty years, at the end of twenty years you have paid $15,000,-

000 to clear off that expenditure. If you pay it by taxation, you take $10,000,000 from the people, the whole amount is paid and their ability to pay further is reserved for further needs of the country. I believe that is a sound principle which could be applied with advantage to this country. If I buy a property for $5,000 or $10,000 and I have not the money to pay for it, I have to pay interest for ten years and at the end of that ten years I have paid out almost as much as the original debt. That same principle could be applied to all our expenditures and if it were you would avoid interest charges which equal sometimes the revenue the country collects. But, we have not been able yet to get from the Minister of Finance an answer with regard to this matter. May I be permitted to give an example from the United States now that our hon. friends the Minister of Finance and the Solicitor General who, I do not see in their seats, are willing to truck and trade with the Yankees, inspired, perhaps, by different motives. The Solicitor General may be prompted by his humane feelings for the farmers of the West whom he will assure of his hearty sympathy when next he returns to the western provinces and the Minister of Finance by a consideration of war conditions. There is no doubt that the Minister of Finance and his friends, the manufacturers of Ontario, may be comforted by the hopes of the future, hopes upon which some light has been thrown by the hon. member for Chateauguay (Mr. Morris). However, now that we are permitted to look in that direction, may I be allowed to give these hon. gentlemen and this House a few facts with regard to the new income tax under consideration in the Congress of the United States and which is to be put into operation as soon as it becomes law. It is a bill for the further taxation of the incomes of individuals, corporations, joint stock companies, insurance companies and other possible incomes. They are taxing incomes as low as $2,000 in the United States. In Canada there are a great many incomes of $1,000 which might be taxed. When a single man with no family to look after and no other responsibility but his own living, receives $1,000 under such conditions as prevail to-day, he will be proud, if he is a Canadian at all, to contribute out of his income a few dollars every year. If such a policy were adopted, the very minimum tax that you might place upon such incomes would represent a large amount of revenue every year. In the United States it is a graduated tax upon all incomes, for instance, there is a tax of one per centum per annum on the amount by which the total net income is $5,000 or over and within $7,500, and of two per centum if the income exceeds $7,500 and over and so on up to $10,000. If a citizen has an income of $100,000 he will pay an income tax of $10,000. A man having an income of $1,000,000 a year is taxed to the extent of $300,000. On an income of $500,000 a tax of $100,000 is paid into the treasury. This income tax, it is estimated, will provide for the United States Government $250,000,000 this year. You will see by the graduation of this income tax that every class will be called upon to pay according to its means. You will see that the United States have put a large income tax on millionaires. I might be told that millionaires in Canada are but few. I believe that they were not so few after all before the war. We had a good number, and I believe that since the war has commenced we have many more millionaires than before. It is only since the war that Canadian millionaires have been able to hand over hundreds of thousands of dollars to young lady stenographers for past services, and I believe that it was not only in one case that this was done, that it will be found that many others acquired equal wealth as suddenly. Therefore both the old millionaires and the new millionaires, the new especially, should be taxed heavily under the conditions in which we are living, and I believe that if the Minister of Finance will look into the millionaires and demi-millionaires he will find enough of them in Canada to produce millions of dollars of income tax. Britain is largely paying its war expenditure by taxation. Germany is meeting it by loans, because Germany can not impose any more taxation. She had imposed so much taxation in preparation for war during forty years that her people were near rebellion, and when she could impose no more taxation she declared war, the war which we are fighting to-day.

We have heard a good deal of discussion during the debate as to the relative merits of protection and free trade, or protection and tariff for revenue. It has always been a sad moment for me in this House when, on different occasions, I have heard members on the other side of the House, in order to propound the doctrine of protection, give us, for example, the great achievements of Germany under her system of ex-

treme protection in every possible direction. Last year the hon. member for Calgary (Mr. R. B. Bennett) strongly advocated the imitation by Canada of German diplomacy in this respect, pointing to the wealth which the people of Germany had been able to amass through the facilities afforded to them for taking advantage of the opportunities for trade throughout the world. Lately the Solicitor General called the attention of Parliament and of the country to the great achievement of the German nation under her high tariff. Notwithstanding such pronouncements from the lips of those learned men opposite, I yet cling rather to the policy of Great Britain, which, during those same forty years, has built up a commercial and industrial activity which has enabled her, during the war, to save civilization. There is no doubt that in the first months of the war, civilization was saved by the superior tactics at the battle of the Marne by the great man whom we honour to-day on this side of the Atlantic, General Joffre; but we can still claim that since that day the free trade policy of Great Britain has enabled her to save the situation for the last two years owing to her ability to finance not only herself but also France and all her Allies. To-day, with her navy, she is still saving the situation, while Germany is crippled, unable to move, and keeps up the hope of her people only by the deceptive promise of the submarines, which we are bound to overcome with the assistance of the great nation to the south of us.

At six o'clock the House took recess.

After Recess.

The House resumed at eight o'clock.

PRIVATE BILLS.

The House in Committee on Private Bills, Mr. Rainville in the Chair.

THE BOY SCOUTS ASSOCIATION.

Bill No. 27, to incorporate The Canadian General Council of The Boy Scouts Association.—Mr. R. B. Bennett—in Committee.

On section 1—Act of incorporation, 1914, c. 130, amended:

Mr. GRAHAM: What are the amendments?

Mr. STEELE: The Bill asks that the privilege of using all the badges and other special marks of the Boy Scouts Association shall be given only to the Boy Scouts. It asks, in effect, that these badges and other distinctive marks shall be a trade mark of the Boy Scouts Association.

Mr. GRAHAM: That is all?

Mr. STEELE: That is all.

Mr. GRAHAM: The Bill passed through the committee without any amendment?

Mr. STEELE: Yes.

Section agreed to.

Bill reported, read the third time and passed.

CANADIAN ASSOCIATION OF STATIONARY ENGINEERS.

Bill No. 10, to incorporate The Grand Lodge of the Canadian Association of Stationary Engineers of the Dominion of Canada.—Mr. Fripp—in Committee.

On section 1—Incorporation:

Mr. STEELE: This Bill is being asked for by the stationary engineers of Canada, both steam and electric.

Mr. LEMIEUX: Is there mutual insurance?

Mr. STEELE: No, nothing of that kind. They are not asking for any control of the education or training of engineers. They merely ask that the Grand Lodge of the Canadian Association of Stationary Engineers be incorporated in order that the stationary engineers may be joined together for purposes which will raise the standard of the profession. Certain amendments have been made, most of them of a minor character.

Section agreed to.

On section 2—executive officers:

Mr. McKENZIE: Is this an incorporating Bill coming before Parliament for the first time?

Mr. STEELE: Yes, this is the original incorporation.

Mr. McKENZIE: In the province of Nova Scotia, and, I assume, in each of the provinces, there is an Act dealing with stationary engines and stationary engineers. I think that there is in the province of Ontario an Act requiring stationary engineers to pass certain examinations, and so on. Would this Act in any way come in conflict with the provincial legislation?

Mr. STEELE: This proposed legislation gives to the Grand Lodge no power whatever to license engineers. The province of Ontario grants licenses to stationary engineers, but this Bill is prepared in such a way that it asks for no rights or privileges which will interfere with those held or conferred by the provinces.

Section agreed to.

On section 8—objects and purposes:

Mr. STEELE: In this clause the words "and electric" are inserted after the word "steam" wherever it occurs. The clause as amended reads in part: "the efficient operation of steam and electric power plants," and "steam and electric users."

Section agreed to.

On section 10—general meetings:

Mr. STEELE: There is a slight amendment to that clause. After the word "as" in the third line, the words "the executive officers of" have been inserted, making the sentence read:

> The first general meeting of the association shall be held during the year 1917 at such time and place and upon such notice as the executive officers of the association may decide.

Mr. GRAHAM: If I were a stationary engineer I would want that provision to be more explicit as to the time of meeting. Under that clause the executive could call a meeting within twenty-four hours. Were representatives of the stationary engineers who attended the meeting of the Private Bills Committee in agreement with that amendment?

Mr. STEELE: Yes.

Mr. McKENZIE: Is there any provision for the making of by-laws?

Mr. CHAIRMAN: Yes.

Mr. McKENZIE: Are they subject to the approval of the Governor in Council, or is there any safeguard of that kind?

Mr. CHAIRMAN: No.

Mr. LEMIEUX: It seems to me that notice of, say, eight days should be given before a general meeting is called.

Mr. STEELE: This clause refers only to the first general meeting of the Association, which is to be called by the executive officers of the Association. The subsequent general meetings shall be held annually as the by-laws of the Association may provide.

Mr. GRAHAM: That covers the point.

Section agreed to.

On section 12—by-laws:

Mr. STEELE: This section is struck out entirely owing to the fact that section 7 covers the matter. The section has relation to the making of by-laws.

On section 14—real estate:

Mr. STEELE: To this section an addition has been made of a clause which has been inserted for some years in Bills similar to this. This section has reference to the amount of real estate which the grand lodge may hold. There is added after the words:—

> Not exceeding in the aggregate the value of one hundred thousand dollars.

These words:—

> And may sell, mortgage, lease or dispose thereof, but so that the association shall apply all its profits, if any, or other income, in promoting its objects, and shall not at any time pay any dividend to its members; but the provisions of this section shall not prevent the remuneration of members of the board of directors or officers of the association for services rendered out of any surplus remaining after the ordinary expenses of the association have been met.

Section agreed to.

Bill reported.

BREIDERT AND MUDGE PATENTS.

Bill No. 38, respecting certain patents of George C. Breidert and Burton W. Mudge.—Mr. Rainville—in committee.

Mr. LEMIEUX: Who is the promoter of this Bill—Mr. Macdonell?

Mr. MIDDLEBRO: The Minister of Agriculture left a memorandum on his desk and requested me, if he were not in his seat when this Bill came up, to read it. This appears to be one of those cases where the application, through inadvertence, had not been filed in time, and the committee, after consideration, thought that it might go through. The memorandum is a long one, and I will not read it all, but it says in part:—

> In view of the foregoing facts and section 8 of the Patent Act, the commissioner has no power to deal with the applications. The object of the Bill is simply to empower the commissioner to deal with the applications as though they had been filed within the prescribed time. The facts as set forth in the preamble having been established by solemn declaration, and the committee being satisfied that the failure to file the applications within the prescribed time was due to an oversight of the Auto Utilities Manufacturing Company, considered that the petitioners were entitled to the relief asked for

and reported the Bill. During last session a similar Bill, viz.: that of Mr. James W. Owen, was passed.

The minister says that the Bill has been gone over by the Deputy Commissioner of Patents, and that he is satisfied with it.

Mr. GRAHAM: Are any other rights interfered with?

Mr. MIDDLEBRO: No.

Mr. McKENZIE: What are the patents for?

Mr. REID: The Bill says that the patents are for ventilators.

On section 1—power to issue patents:

Mr. STEELE: A certain amendment to this section ought to be noted. The words after "on the" in the third last line of this section are all struck out, and the words "9th day of June, 1933," inserted, so that the date when the patent shall expire is made definite instead of being left indefinite as the original wording of the section left it.

Section agreed to.

On section 2—certain rights saved:

Mr. STEELE: There are certain amendments to this section. The dates in the Bill as drafted are not inserted. The section as amended reads:—

If any person has since the 9th day of June, 1914, and prior to the 13th day of January, 1917—

And so on. The words "or construction" are added after the word "manufacture" in the fifth line, so that it reads "manufacture or construction in Canada." After the word "manufacture" in the third last line the word "construct" is added, so that the clause reads:—

May continue to manufacture, construct, sell and use—

And so on.

Mr. MURPHY: Is the date mentioned by the hon. member the date on which the patent was indefinitely allowed to lapse; that is, the date in respect of which other rights may have been acquired which are to be protected?

Mr. MIDDLEBRO: In the memorandum to which I have already referred, the Deputy Commissioner of Patents says:—

The day fixed for the expiration of the patents in clause 1, viz.: 9th June, 1933, was determined by adding to the date of the first foreign patent, viz.: 9th June, 1914, nineteen years; eighteen years, viz.: the term of the Canadian patent fixed by section 23 of the Act, and one year allowed by section 8 of the Act. The date, 13th January, 1917, in the second clause of the Bill is the date of the first publication of the notice of the application to Parliament.

Section agreed to.

On the preamble:

Mr. GRAHAM: I am not objecting in any way to this Bill, but I am inclined to agree with the Minister of Customs that when a member allows a Bill to be put in his name, he ought to know something about it and be on hand when the Bill comes up in order to see it put through. The Acting Chairman of the Private Bills Committee has done very well in giving us what information he had, but he evidently is not posted on these measures. I think it is a good rule that the member in whose name a Bill stands or somebody who knows about the Bill should be in the House to explain these measures when they come up. Bills like that we have just been discussing, for instance, relating to patents have provoked more discussion in the House in the past than any other kind of Private Bill. I have no doubt that this one is perfectly all right as the Government has approved of it, but the House knows very little about it.

Mr. REID: I agree that it would be well if the member in whose name a Bill stands was present when his Bill comes up for discussion. I am sure, however, that this Bill has the approval of the Department of Agriculture for Mr. O'Halloran makes a point of examining these Bills very thoroughly. The Acting Chairman of the Private Bills Committee has told us that both Mr. O'Halloran and the Minister of Agriculture approve of the Bill, so I do not think there can be any objection to its going through. But here is the Minister of Agriculture himself.

Mr. LEMIEUX: The House would like to know whether any rights will be interfered with by this Bill?

Mr. BURRELL: The Department does not think so. We have no objection at all to the Bill.

Bill reported, read the third time and passed.

THE BUDGET.

The Order for Private Bills having been exhausted the House proceeded to Government orders and resumed consideration of the Budget.

Mr. TURGEON (resuming): When the House adjourned at six o'clock I was endeavouring to show the fallacy of the policy which Germany has pursued for the last forty or fifty years, and which has brought upon her the misfortunes from which she is now suffering. Germany's policy of extreme protection has been the ruin of her prosperity. Capital and labour have been diverted from their natural productive employments into unprofitable and unproductive lines. Protection, to my mind, spells selfishness, egotism and defiance. Selfishness, in that it wishes to get for itself every possible profit at the expense of every other country; defiance, because it lacks confidence to meet other nations in equal competition. Free trade in itself implies brotherhood among the nations. In times of peace when Napoleon Bonaparte, who was a great civic father as well as a great general, found time to conduct the trade affairs of his beloved France, he always tried to make reciprocal treaties with the other nations of the world, but although he required the goods of England as much as the goods of any other land, he always refused to make a treaty with England because he abhorred that country. Germany abhors every nation in the world that she is not able to shackle, and I would advise this House and the country not to seek inspiration from the policy of the German people. The great emperor Francis Joseph, who perhaps had a longer reign than any other sovereign, unfortunately allowed himself to be captivated by the alluring prospects held out to him by Bismarck in the early part of his reign. Bismarck held out a prospect of battle and conquest, and the first step was to Prussianize the universities of Austria, to divert the aims of education from the noble traditions of Austria-Hungary and adopt the system of education which has brought about the present catastrophe. This is no educational system for us. We should give no consideration to it at all or to their political, financial or industrial activities. We know what effect their education has had in corrupting the sentiments of the people and diverting them from humanitarian ideals. The industries developed under that education have marked their products " made in Germany." But though there was a great increase in industrial production there was no increase in Christian education. And consider some of the things that have been "made in Germany." Poison gas to be projected across their trenches to our lines where our soldiers fell by the thousand in agony; shells made to sink unwarned our hospital ships, with nurses and wounded, Germans among them; guns made to murder Edith Cavell because of her humanitarian activities—all these have been " made in Germany." Surely no lover of humanity, no Christian to-day who looks at the aims of education in Germany will hold up that country as an example to the world in any respect whatever.

I wish to refer to another remark of the Solicitor General (Mr. Meighen) whom I am pleased to see now in his place. It may be considered that I am not in my place in coming into conflict with the hon. gentleman. He knows the high opinion I entertain of his ability. That ability is now universally recognized, but I am proud to say that I have appreciated from the day when he came into this House. I cannot close my eyes to the fact that, as it seems to me, sometimes his skill and subtlety in debate have been used in directions the contemplation of which in the future will not always bring him pleasure. Upon him has been placed the task of pulling the Government out of difficulties into which, from time to time, they have fallen. While recognizing his great talents, I cannot agree with his views on many questions, but especially upon questions of the tariff. In the utterances to which I have referred he speaks of the increased duties made about a year ago, in Great Britain, on tea, coffee and chocolate, on clocks and watches, and on automobiles. As to the duties on tea, coffee, and chocolate, the object has been only increase of revenue, and not protection. When a tariff is imposed upon articles, whether necessaries or luxuries, the importation of which does not mean competition with home producers, the duties that are paid by the people go direct into the public treasury, while duties that are imposed for protective purposes go largely into the coffers of manufacturers. It is true also that duties were imposed on clocks and watches. But this was with a view of introducing economy. As to the duty on automobiles, it was designed to save shipping tonnage which even then was growing scarce, and which was needed for the transport of munitions and food. Another reason for this duty, as stated by Mr. Asquith, the former Prime Minister, was that the duty would discourage the buying of automobiles in many cases, which would

have the advantage not only of promoting economy but also of saving gasolene and oil needed for the operation of automobiles used for war purposes. The Solicitor General also mentioned the dye industry and said that it could never be revived for the British Empire except by means of high protective duties. The modern method of producing dyes was the invention of an Englishman. This inventor could not convince the British Government of that day of the benefits that would result from his invention. So he went to Germany, and the Germans bought his secret and kept it as a secret. That has been their method in everything—to maintain secrecy. Their widespread secret service, for instance, was never suspected until war broke out. It was by keeping their operations secret that Germany was able to command the markets of the world in the dye industry. This was one of the mistakes made by the British Government, and governments make mistakes just as individuals do. It is only twenty-five or thirty years ago that the Liberal Government of Ontario offered to the Government of Great Britain control of the nickel properties of this province. But this was in a time of peace, and, unfortunately, the advantages to result from such a measure were not realized by the British Government of that time, and consequently the offer was refused. That such things will happen all history attests. Napoleon Bonaparte was approached by Fulton, the American inventor of the steamboat. Fulton went to France and securing the support of some of Napoleon's generals tried to convince the great Corsican of the benefits to be gained by the use of his invention, pointing out that by the use of steam the would-be conqueror of England could send ships across the Channel in a few hours, regardless of the weather conditions. But Napoleon replied that he had fools enough in France without importing them from abroad. Fulton went to England and had his invention adopted in that country, leaving to Napoleon only the remorseful recollection of an opportunity lost. As to the dye industry, when the war is over the scientists of France and England will seek out new chemicals which will be as advantageous and as profitable to commerce generally as the old secret has been to Germany.

I think the Solicitor General did not do justice to England when he compared its financial position with that of the United States. That I may not misinterpret the hon. gentleman let me quote from his speech as reported at page 889 of Hansard:

> We find the United States at this time not in the position in which Great Britain finds herself in this regard. We find the United States selling goods in volume away beyond the goods which she is importing, selling goods last year to an extent of double the imports of that country. The balance of trade in favour of the United States is over $2,000,000,000 as compared with a balance of trade against Great Britain of $1,500,000,000. That is the inevitable result of failure adopting systematic and well reasoned means of bringing to their full development within the country itself all the resources of the country before they are sold.

May I be permitted to say that this comparison is certainly, in my opinion very inappropriate. The Solicitor General has given the figures for the last year. He has compared the position of Great Britain, one of the principal belligerents, after two years of war, with that of a great nation at peace. Notwithstanding the fact that Great Britain has made all the munitions of war that her own people could possibly manufacture during the past year, and that she has had to import from other countries, mostly from the United States, a great part of the munitions that she was in need of, not only for herself but for her Allies, a great portion of these munitions being charged to Canada and for which we will have ourselves to pay, she is made the subject of comparison with one of the greatest manufacturing nations of the world, a nation at peace, a nation with a hundred million people and great resources and a nation which had been manufacturing and shipping to Great Britain everything that she could manufacture and not only shipping to Great Britain but to France, Russia and Italy as well. In consequence of that you might naturally expect an immense balance of trade in favour of the United States while England naturally could not expect any thing else than an adverse balance of trade.

Mr. MEIGHEN: Does the hon. gentleman not know that practically the same proportion of balance of trade against her has existed for nearly twenty years and that, on the contrary, the balance of trade has been in favour of the United States for almost that time, not so great as now, but nevertheless in their favour.

Mr. TURGEON: I have not the figures with me but I imagined that if my hon. friend the Solicitor General had brought in the figures of previous years in regard to both countries he would have found something more in favour of Great Britain. Of course, as I say, I have not the figures

with me at the present time. The fact remains that Great Britain as I was saying this afternoon while my hon. friend was out of the House, with her free trade and expansion of trade, has been able to put her finances in a position to win the war by assisting her Allies as well as looking after her own interests.

But, for all of that, there is certainly a lack of fairness in the proposition of the Minister of Finance towards the manufacturer himself upon whom he placed an additional tax at the opening of the war to the extent of 7½ per cent, general, and 5 per cent on imports from Great Brtain. This is a tax of 7½ per cent on the raw material, thereby crippling the activity of the manufacturer from the start because this act interferes with his ability to compete with the outside world and places him under the necessity of exacting from the home consumer what he loses in dealing with the outside consumer, because, as the word goes abroad, it is always the poor fellow at home who has to pay for everything.

The hon. member for Haldimand (Mr. Lalor), who spoke last Friday, said that after all the policy of the Liberal party and policy of the Conservative party were the same and that when the Liberal party came into power they merely adopted the policy of the Conservative party. I like sometimes to compare results and if you will cast up the results of the administration of the fiscal policy of the country for the last twenty or twenty-five years you will find that during the last years of the administration of the Conservative party before 1896 the country had come to a desperate condition of stagnation and that the financial and industrial position had become so intolerable that the people decided to make a change and entrust the future management of the affairs of the country to another Government. Therefore, they returned the Liberal party in 1896. From that time on until 1911 we saw Canada growing prosperous from year to year, building railways, among them the Transcontinental, promoting the prosperity of the people, and stimulating and maintaining the buoyancy of trade and commerce in every portion of the country, so much so, that when my right hon. friend, the then leader of the Government, and his friends behind him wanted to make a change in order to further advance the financial and commercial prosperity of Canada hon. gentlemen opposite had but one word to say and one recommendation to make and it was: Leave well enough alone; we are prosperous enough. If it is the same policy, I would suggest to the Canadian people never again to entrust it to a Conservative administration.

But permit me to see if it has been the same policy after all. When the Liberal party came into power they introduced a new tariff policy known as the Fielding tariff policy of 1897. That tariff established a British preference which was a boon to the Canadian consumer and a great advantage to the British manufacturer on the other side. It created a new feeling of brotherhood between the Dominion of Canada and the British Empire. The Fielding tariff or 1897 also had the advantage of bringing about the abrogation by the Mother country of the German and Belgian treaties, by virtue of whose favoured nation clauses, duties were being imposed against our products. That tariff also decreased the duties on many other articles and placed a great many others on the list of free goods greatly to the benefit of the people and being a step towards free trade. I do not say that we should have adopted free trade at once but I say that the Liberal party was working in that direction to as great a degree as the conditions of the country permitted. We are always moving in the same direction with all the rapidity possible in the changes that we make in order to secure greater prosperity for the people and to maintain that feeling of brotherhood which is now being established between the great nations and democracies of the world and in order that this brotherhood shall continue amongst the nations after the war is ended as well as during the war. The Fielding tariff reduced the duties on many articles and placed others on the free list. Barbed wire, binder twine, and corn were amongst the classes placed on the free list by that treaty. The duties on both flour and sugar were reduced, sugar by 22 per cent and flour from 75 cents per barrel to 60 cents or 50 cents. The drawback principle applied to raw material when used in the manufacture of finished products for home consumption as well as for export owed its application to the Liberal policy of 1907. In the same year a treaty with France was brought about which resulted in many benefits to the Canadian consumer. Then in 1911 we had the reciprocity pact or treaty, which was offered by the Liberal party. That pact was an agreement which, if it had been sanctioned by the people of Canada as it had been sanctioned by the representatives

of the United States at the time, would have meant immense prosperity for the country from that time until now.

The Government a few days ago granted free wheat to the western farmers in order to secure their sympathy or, as the Solicitor General put it to the House, in order to remedy a grievance which existed; and, although according to the Solicitor General it might not have been the international interest to give free wheat, it had become a necessity for the Government to appease that grievance in the West. May I say to the Solicitor General that if every grievance in the different parts of the country is to be appeased in that way, he might have come down to New Brunswick and given us free potatoes also. The farmers of New Brunswick would have been better pleased to have received a little less for their potatoes and to pay less for the flour or the boots they have to buy. A farmer has to sell three or four barrels of potatoes in order to secure a barrel of flour, even today when he gets $3 or $4 for his potatoes. Then he has to sell two or three barrels of potatoes to get a pair of boots for himself, or his wife, or his son helping him on the farm. The Government, under the Underwood tariff, had power to place potatoes on the free list on the same conditions as wheat, and my hon. friend could just as well have included potatoes in the Order in Council. If that had been done, the people of Montreal, Ottawa and Toronto would to-day be paying perhaps a dollar a barrel less for their potatoes. If I may appeal to the sympathy of the minister, I would ask him to-day to pass an Order in Council in the morning to put potatoes also on the free list. If to-morrow morning potatoes would go down in the markets of Toronto, Montreal and Ottawa a dollar a barrel, it would not disturb the farmers from the southern part of New Brunswick, from the county that first brought into evidence the talents of the Minister of Trade and Commerce (Sir George Foster), who must not forget that he is a product of the province of New Brunswick and of York county.

Mr. GRAHAM: Some potatoes!

Mr. TURGEON: If potatoes were on the free list the new potatoes from the Southern States could be placed on the markets of Toronto and Montreal to-morrow morning at a much lower rate than they are to-day, and the people of Toronto and Montreal would get their potatoes a great deal cheaper. This is a practical suggestion. The Solicitor General does not seem affected by my request.

Mr. LEMIEUX: The elections are over in New Brunswick now.

Mr. MEIGHEN: I was rather wondering how the request suited the hon. gentleman's friends who asked for an embargo on potatoes.

Mr. TURGEON: I believe my friends to-day would accept my suggestion very freely and be ready to vote for it. It would have the effect of admitting the new potatoes from the southern states in greater quantities, and the farmers of my province would be able to keep what they have for seed, of which they will be short within the next two or three weeks. It is true that the Minister of Agriculture tells us that in New Brunswick there are about 100,000 bushels of potatoes beyond what are required for seed. I believe that he has had that information, but I doubt very much its accuracy.

Mr. BURRELL: Of course, I cannot vouch for the accuracy. I got the information from the provincial Minister of Agriculture, who is one of my friend's friends.

Mr. TURGEON: Yes, sometimes such information is calculated a week or two ahead, and a week or two has made a big difference every time during the last month in the stock of potatoes. I know that before I came to this House in my own county one dealer alone held 1,500 barrels of potatoes all the winter because there was no means of transport. The Caraquet railway was blocked for from three to six weeks, and the merchants were unable to move their freight. The moment the railroad was again in operation that quantity moved up to Toronto at once, with practically everything that was in the stores of that part of New Brunswick, and it may be that that 1,500 barrels was included in the account which represents 100,000 bushels. However, I would not be greatly incensed if to-morrow I heard of an Order in Council being passed under the War Measures Act to admit potatoes free. Our friends have said, also, that the reciprocity treaty was refused by them because it took away the
9 p.m. fiscal independence of Canada. I should never submit my judgment to that proposition. I cannot understand it, and I really cannot understand men of the dignity of the Finance Minister of Canada to-day putting that argument before the people of the country. How could it interfere with the independence of Canada when Canada and another country

come together and say: We will give you this product provided you give us the other product. It was a quid pro quo in every sense of the word. Canada gave what she chose to give and got what she desired to get in exchange. This pact was based on the idealistic aspirations of free nations for the interchange of the products of the earth. Certainly it was suggested by the most noble aspirations on the part of each of the contracting nations. The pact, or treaty, had to be ratified by the Parliament of Canada. But it would have been an obligation that could have been revoked by the Parliament of Canada at any session, and I cannot understand how it would have interfered with the independence of Canada. Hon. gentlemen opposite think that they have done better now, because they have given the farmers free flour, which was not a provision of the proposed reciprocity treaty. I would call the attention of the Solicitor General to this fact. If the reciprocity agreement had been passed, the farmers of the West and the consumers of the country would have the benefit not only of free wheat, but of free oats, free barley, free flax; everything the farmer produced would be free of duty. The country at large would have got free lumber and free fish from the United States. In the Maritime Provinces the people interested in the lumber business and the fish business suffered intensely during the two or three years subsequent to 1911. In 1913 the lumber export trade to Great Britain was reduced to practically nothing, and only for the dictum of Providence through the medium of the Underwood tariff legislation in that year, the lumber manufacturers of New Brunswick would have been bankrupt before war was declared. This was the condition until a year or two ago, when the trade with Britain was revived by the necessities of war. To-day England is not able to import our lumber, and she has resorted to her own supply, depleting the forests which have been preserved there for centuries. Only for the opening of the American market, I say, our lumbermen would have been bankrupt.

The consumer who formerly had to pay 50 cents a barrel duty upon his flour, under the new arrangement gets his flour free. Under the reciprocity pact the consumer would have got his meat, his potatoes and his vegetables free. It is a matter of necessity that the consumer should get his food free, particularly during those seasons when we do not produce the necessary food supplies in our own country. The advantages of that proposed arrangement have not been properly appreciated; only to-day are some of the people realizing what we have lost by not accepting it. The West has lost a large portion of its farming population. Immigrants who had come from the United States went back to their native land in hundreds and thousands. A large immigration would have been coming into Canada every year since 1911 but for the rejection of the reciprocity proposal. Its rejection caused a depression among the farmers of the West and a decrease in production has been apparent ever since. Had the reciprocity proposal been in operation when war was declared, we would have had an additional 100,000 farmers in the West to produce wheat and grain and food of all kinds. Through the rejection of reciprocity, the farmers of the prairie West suffered a loss of $25,000,000 on their crop of 1911, owing to congestion of traffic and lack of transportation, their grain remaining out and depreciating in value. In 1912 the Minister of Trade and Commerce himself had to make arrangements with the United States authorities for certain transportation facilities in order that he might allow the wheat of the West to reach the ports of the United States.

We are told that the reciprocity arrangement would have been an interference with the fiscal independence of Canada. I do not appreciate the force of that argument. The reciprocity agreement would have been adopted by the people of Canada but for the exploitation of prejudices in Ontario and Quebec, arguments having been advanced in these two provinces designed to influence the unguarded electors in each.

We are asking the Government, through the amendment of the member for Assiniboia, to give to the Order in Council granting free wheat to the farmers the effect of permanency. The farmer of the West always looks to the future. He is interested in the war as much as any one in the cities of Montreal or Toronto, his heart is set upon winning the war as quickly as possible. He is getting the benefit of the American market and of the markets of the world for his wheat, but he does not know what is going to become of that Order in Council when the war is over. We are told that it has the same effect as an Act of Parliament, but the farmer of the West will never believe that the same degree of permanency is afforded by an Order in Council under the War Measures Act as is secured by an Act of Parliament, which

could only be abrogated by another Act of Parliament. If the war is over before the farmer of the West can reap his crop next fall, he will not know how he stands in the matter of a market for his wheat. He knows that if he has access to the markets of the world, he will be able to compete in them, but if he has to depend upon the markets of Canada he will be poor in the midst of plenty. It is said that it is better for the farmers to have the benefit of good prices temporarily, but what about the future? If the farmer of the West is assured that he will have free access to the markets of the United States and of the world, he will know that at all seasons he will be able to enjoy the benefits of those markets, and can govern himself accordingly.

Reference has been made to the fluctuations of prices in the markets of the world under conditions of war. I am not a farmer, but I follow with interest all things pertaining to the welfare of the West. I believe that the mind of the West is directed more towards the future than the mind of the East. The farmer of the West is looking to the future, and he has always under consideration the extensive markets of the world. In order to show why our western friends demand that this matter of free wheat be made permanent and not dependent upon the fluctuations that are occurring daily under war conditions, I will read a few lines from the same western paper from which the Solicitor General quoted certain figures the other day. This article was written in September, 1915, or nearly two years ago, when conditions were normal, as they are not to-day:—

Why free wheat is wanted.

During the summer, when the grain-growers of the West had no wheat to sell and quotations were really nominal, wheat prices in Winnipeg were higher than in Minneapolis.

Yet we are told that on such and such a day wheat is higher in Winnipeg than in Minneapolis, and that, therefore, the United States market is not worth while considering:—

Upon that unstable foundation the Conservative Press throughout the country built up the argument that the removal of the wheat duty on both sides of the border would result in the "flooding" of the Canadian market with American wheat.

Now that the season for marketing grain has again come round the Minneapolis price is, as usual, higher than that in Winnipeg. The difference is indicated by the following comparison of prices on Tuesday last:

[Mr. Turgeon.]

	Winnipeg.	Minneapolis.
No. 1 N..	81⅝	85⅝ to 86¼ No. 1 H.
No. 2 N..	80⅛	83¼ to 86½ No. 1 N.
No. 3 N..	78⅛	80⅛ to 83½ No. 2 N.
Oats.. .. ..33 to 34½		34½ to 37½ Oats
Barley .. ..42 to 45		50 to 67 Barley
Flax No. 1	118	138 to 141 No. 1 Flax

Canadian wheat is graded more strictly than American, and Winnipeg's No. 2 Northern is as good a grade as the No. 1 of Minneapolis. The American price is, therefore, about five cents a bushel better than the Canadian, and the grain-growers are clamoring for the removal of our wheat duties, which will automatically wipe out the American countervailing duty of ten cents, and let our grain in duty free to the Minneapolis maker.

The difference in the price of oats is not so marked, but it must be remembered that Canadian oats weigh 34 pounds to the bushel, the price being a little under a cent a pound, while United States oats weigh 32 pounds, and the price is a little over a cent a pound. As the United States duty is six cents a bushel, with no provision for its removal if Canada takes off her duty on oats, there is no immediate prospect of doing business in oats. Under the agreement of 1911 oats would have been duty free on both sides of the border.

When one considers this statement of conditions in normal times one sees why our friends from the West are demanding that the matter of free wheat be made permanent, and I hope, when this debate is concluded and a vote taken, that the amendment of my hon. friend from Assiniboia (Mr. Turriff) will be carried with a large majority.

I wish to refer now to the shipping industry, in regard to which the people of Canada are to-day very much agitated. We have recently heard a great deal of the necessity of reviving the ship-building industry in Canada. I wish that industry had been revived six or seven years ago; I wish it had been revived when the people of Canada and this Parliament were unanimous as to the project of building a Canadian navy in Canadian ports by Canadian workmen for the protection of Canadian commerce. Some years ago we heard our friends on the other side arguing as eloquently as any hon. member on this side for the establishment of a Canadian navy. When my hon. friend the Minister of Trade and Commerce introduced his resolution in 1909, we all listened to him as he waxed eloquent over his subject, and as his speech progressed and he was demonstrating the feelings of Canadians, he carried me with him into lofty heights of patriotism. He spoke of the miner carrying from the bowels of the earth, of the coal and the iron ore in the blast furnaces where Canadian engineers and Canadian workmen were transforming the iron ore

into steel for the construction of Canadian ships, and he demonstrated to this Parliament the advantage of our commerce travelling side by side with its protector—a Canadian navy—across the sea. During the last six years, however, and more particularly during the last three years, Canada has produced the commerce but Britain has produced the protector. That is the state of things owing to the change of mind on the part of my right hon. friend and his supporters on the other side who refused to accept the Laurier Navy Bill, as it was called, and therefore refused to give Canada and the British Empire the advantage of those ten cruisers which were to be built. Although at that time they were looked upon as a tin pot navy, the experience derived during the war prove that they would have been the best possible gift to the British Empire and to the British navy. When war was declared, we would have had some of those cruisers ready to defend from German warships the Pacific coast, where the people took freight, removing their bonds and gold from the bank and hiding them in their cellars, and where the local Government rushed to buy two submarines in order to defend the coast. Had the Liberal policy been accepted by hon. gentlemen opposite, submarines would have been built in Canada by Canadians. It is with sorrow that I say that during these last three years of war the Government has taken no steps to remedy the position of Canada so far as shipbuilding is concerned, and that it has not up to this date made any effort to build a single warship for the assistance of Great Britain. We see Australia, who has a treaty with us whereby our cruisers were to assist theirs in defending our trade on the Pacific coast, doing her duty and carrying off the honours of the war, and at the same time, in the absence of our Canadian cruisers, having to call upon the cruisers of Japan to come to her rescue.

However, better late than never. Like many another step we have urged hon. gentlemen opposite to take, it has been taken at last, but very late in the day. At the very beginning of the war we suggested that the Government should take over the Transcontinental shops at Winnipeg, Quebec and Moncton for the manufacture of munitions of war at cost price, thus saving the British Government millions of dollars. But they refused to do it. The British Government sent out Lord Rhondda to investigate the shell business in Canada, and he endeavoured to persuade the Canadian Government to nationalize these shops, but nothing came of it. The Minister of Railways and Canals at one time seemed to have been influenced by the suggestions of Lord Rhondda, but after consultation with his colleagues, I presume, he told Lord Rhondda that he had no data on which he could fix a price.

I believe the time has come when we should give more attention to the building of ships. It is true that by an agreement with the United States, who have now become our Allies, that country is to build ships for the protection of commerce and to replace the tonnage sunk by the German submarines. The daily shipping losses are certainly large enough to attract the attention of this Government. I have always been in favour of shipbuilding in this country. I think that if from the beginning of the war the shipyards of Vancouver and Victoria and Halifax and St. John had resounded with the incessant reverberations of the smith's hammer, it would have had a most potent influence on recruiting. I would urge the Government to encourage the building not only of steel ships but of wooden ships. Wooden ships, of course, do not afford so much protection, but they will be of immense value to Canada after the war. When peace is restored other nations will be coming along to buy our steel ships as fast as we can build them, but the wooden ships will remain our own property to be used in our coastal and perhaps trans-Atlantic trade. I trust the Government will make every effort to satisfy the Canadian people that they are doing their utmost to win this war as speedily as possible. Every Canadian to-day is determined to do his part, but if we want to win the war we must not depend upon the patriotism of the people alone. Canadians command the admiration of the world to-day. In the first year of the war they enrolled in hundreds of thousands, just as fast as the militia authorities could accept them. Canadian women have also done splendidly, and have shown great patriotism. In this the third year of the war Canadian women from the Atlantic to the Pacific are making every possible sacrifice. After giving a son or husband to the cause they are working night and day for the comfort of our soldiers, helping the Red Cross and Patriotic funds, watching and praying for victory and the return of loved

ones. Let me tell you, Sir, as a representative of the Maritime Provinces, that in this great harmonious concert of virtues the Evangeline of to-day in the Maritime Provinces has revealed herself a worthy sister in nobility, patriotism and devotion. Let us pray that that will continue.

I have to express one regret. I do not know where the idea originated, although the ex-Minister of Militia attributes it to the Prime Minister himself, but I know the opinion has been expressed in the Conservative and independent press, that the man who was working in a munition factory or on a farm was doing his duty just as much as the soldier in the trenches. I confess I admire the man who leaves home to work in a munition factory, but he is not to be compared with the man who voluntarily leaves his fireside and offers the supreme sacrifice of his life on the altar of his country; there is no comparison between them I want to see every man who cannot go to the front doing his duty on the farm or in the factory, but a man making munitions at $3 or $4 a day and sleeping in peace and quietness at night is not to be compared with his brother in the trenches who goes sleepless for nights and sometimes weeks. I think this idea has done much to hinder recruiting and accounts for the sudden falling off in enlistments. When I think of the 400,000 young men who have gone overseas, I am filled with admiration for the Canadian youth; they have done well, but I do not say that Canada has done enough. We must do our best every day until the war ends, every day and every night until the bugle calls for peace throughout the world. It makes me mad to see the number of young men going into our movie shows; hundreds of thousands are wasting their time in these places when they should be in the factories or at the front, and I think the Government should take some steps to empty these theatres of our young men, so that their brothers in the trenches could be relieved for a while.

I say that Canada has done well, but Canada must continue to do well until the end. As one who believes that Canada cannot do too much in this great cause, and who is willing to accept everyone who may have failed in his duty in days gone by, but is willing to tender that duty to his country now, I feel it my painful duty to mention the report that appears in the daily papers to the effect that there was disturbance at a public meeting in Montreal addressed by Hon. Mr. Blondin, now colonel of a French-Canadian battalion. With the many and varied elements in a great city like Montreal differences of sentiment and of opinion are not unlikely to be found. Yet I believe that the disturbance in the meeting to which I have referred was the work of a very small number of persons, as compared with the great audience that had assembled. I confess, however, that I fear the effects that the report of such disturbances will have upon the mind of the world at large and of Canada in particular. It will be said that the French-Canadians of Quebec have forgotten their duty. Speaking as a French-Canadian, I yield to no English-speaking person in my patriotism, and in my loyalty to British institutions. I realize that under Providence it is to these institutions and their successful working in Canada that the French Catholic subject owes the liberty of speech and of worship which he has enjoyed. It is to the effect of British liberty upon public sentiment that we owe the fact that the false doctrines of the French Revolution have not invaded our country. So, as I say, I fear that the reports of disturbance at the public meeting to which I have referred will be interpreted against my race. I am not here as a representative of Quebec, but I am of that province native born, and I am jealous of its reputation. As I have said, I am willing to accept the return of anyone who may have misinterpreted French-Canadian sentiment in the past and now has changed his opinion, but I cannot but feel that these disturbances at public meetings are the residue of the false doctrine propounded by certain hon. gentlemen on the other side of this House in 1910 and 1911, when they preached that Canada owed nothing to the Empire and should not participate in her wars, or give her assistance in time of danger. The effects of the sentiments then inculcated cannot at once disappear, but let us hope that these effects will not last much longer. I trust that this untoward incident will not be represented as indicating that French-Canadians do not share the loyalty of their fellow-citizens. I trust that when called upon they will do their duty by enlisting under the command of Colonel Blondin, or anyone else who is sent upon similar duties, and that the province of Quebec will no longer be afflicted with reports which convey so false an impression of the sentiments of the people of that province.

I have to apologize for having occupied so long in view of the fact that the House has been anticipating the more interesting

speaker who is to follow me. I thank hon. members for the attention with which they have heard me, and if my words should have the result of sending even one more recruit into our overseas forces, or one more man into the factories by which those forces are equipped and supplied, I shall feel that I have not wholly failed in my purpose.

Mr. J. W. EDWARDS (Frontenac): If we gave due consideration to the figures of our trade with the world during the last fiscal year, I am sure we should all feel proud and pleased with the encouraging message presented to us by the Finance Minister. I feel that I might go further and say that in the facts and figures presented to us by the Finance Minister we have undoubted proof, at least to my mind, of the ability of this Government to successfully face difficulties and responsibilities, the like of which have never been placed upon the shoulders of any Canadian government since or before Confederation. The facts and figures presented in that Budget speech are also a tribute to the resourcefulness and energy of the Canadian people.

I have followed the speech of the hon. member (Mr. Turgeon) with interest and attention. With many of his sentiments I am in hearty accord. I do not agree with him in everything; particularly do I differ from him in regard to trade matters. I wish to say also that I sympathize most heartily with him in his feelings in regard to the prosecution of this war. I appreciate the position he is in, for I understand that he has the honour of having a son at the present time fighting for liberty and humanity, and as I am in the same position he and I can shake hands in a deep and common sentiment. I am sorry to see his countenance beclouded by what he regards as the tariff woes of Canada at this time, but I congratulate him, a man of his years, upon the vigorous manifestation he has given of the elemental forces of his nature. He has come out strong in denunciation of protection. I believe I state history correctly when I say that the hon. gentleman was a candidate for election to this House in 1896, and in that election was defeated. It is only natural to suppose that inasmuch as the Liberal party which he supports, had been denouncing protection for eighteen years, that in that election he also denounced protection. The result was disastrous to him; he was defeated. But he has been successful in the succeeding elections from 1900 down to the present time.

During all the time that he has had a seat in this House he has been an enthusiastic and loyal supporter of the leader of the Opposition who, during all his career as leader of the Liberal Government, advocated and backed up the principle of protection. That is the policy which he followed during the time he was in power. The hon. gentleman has said that he would like to see potatoes placed upon the free list. I do not know how he is going to square himself with the hon. gentleman who sits behind him, the member for North Cape Breton (Mr. McKenzie), who, in speaking in the House the other day, was very pronounced in that regard and was going to place an embargo on potatoes in order to keep them from going out of the country. So we find to-day, as we have found in all the years that have passed, the Liberal party has as many different policies as there are constituencies represented in this House by Liberal members. It is not to be wondered at when we look back over the career of the Liberal party and recall the fact that the right hon. gentleman who is to-day the leader of the Liberal party had as many different policies as he fought elections in Canada. He never had the same policy for any two elections in which he fought. He advocated free trade as they have it in England, unrestricted reciprocity and so on.

Hon. gentlemen opposite have had more practice than we have had on this side of the House in jumping from one policy to another and I congratulate them on their frequent exhibitions of acrobatic agility during the last fifteen or twenty years. The hon. member for North Cape Breton is something of a joker, something of a wit, and the hon. member for North Cape Breton has got off some very spicy wit at times in this House. He is always sure that he will have at least one person in the House who will thoroughly appreciate his humour and that is the hon. member for North Cape Breton. The hon. member for North Cape Breton and the hon. gentleman who has just taken his seat have expressed some very decided opinions in regard to the record of the Liberal party and I am going to answer these hon. gentlemen by quoting the opinion of a gentleman who sat in this House as a Liberal member from the West, a man of very strong personality and a man who still occupies a very prominent position in the public life of this country and is now the manager and editor of a paper called the Winnipeg Tribune. I refer to

Mr. R. L. Richardson. I think I am correct in saying that he sat in this House at one time as a Liberal member. This gentleman makes certain comments in his paper on a statement made by the hon. member for Calgary (Mr. Bennett) regarding the promise supposed to have been made by the hon. member for South Renfrew (Mr. Graham) to Mackenzie and Mann with respect to the handing over of the Intercolonial to the Canadian Northern. The Globe says that the Liberal party would not follow any leader who would do any such thing.

I wish to read a few comments made by the Winnipeg Tribune upon that statement of the Globe in regard to the Liberal party:

If the Globe by the expression "Liberal party" refers to the parliamentary "rump" led by Sir Wilfrid Laurier, Hon. George P. Graham, "Big Mac" and the others, the Tribune will point out, in the first place, that any body of men which follows such leadership could not by any possibility be a Liberal party. Their assumption of the name would not make them such. That is so easy of demonstration that the Globe has only to refer to the administrative record of the Laurier party to convince itself.

Then again, if the following of Sir Wilfrid Laurier is the Globe's "Liberal party" what warrant has the Globe for saying or thinking that, if the leaders had made up their minds to alienate the Intercolonial, or, for that matter, any other public property, "the party would have refused to follow?" Is there anything in the record of the group which would justify such a declaration? Surely the Globe has not forgotten the Crow's Nest Pass Railway enormity? It has special reasons for remembering it. In that scandalous deal alone, there was alienated by the Laurier Government, entirely without any real consideration, public franchises, public cash and public resources of a value as great probably as that of the Intercolonial railway. Did the party as represented by the parliamentary rump, refuse to follow? Not that we wot of.

Then came the astonishing series of Mackenzie and Mann deals in which the Laurier Government not only alienated the franchises, cash, and credit of the Dominion, but aided and abbetted the Government of Manitoba in its even more nefarious alienations. These transactions were debated in Parliament, and thoroughly analysed and exposed in The Tribune and other journals. Did "the party" as represented by the parliamentary rump, refuse to follow? Not observably.

When that crowning hybrid monstrosity, the National Transcontinental Grand Trunk Pacific nightmare, in which hundreds of millions of public money have been literally wasted, was suddenly put before the public, it also was thoroughly dissected in the press and its criminal insanity demonstrated. Did that demonstration induce "the party" as represented by the parliamentary rump, to refuse to follow? Unhappily, no.

But why go on? In view of this record and much more that could be cited, does it not look like infantile folly for the Globe to talk about

the "Liberal party" and of its assumed refusal to follow.

The Globe would be much better and more patriotically employed, if it would tell its readers the truth, that there is at present no organized Liberal party in Canada (although it needs one badly), instead of trying by false inference to cover up the huge incompetencies and scallawaggeries of the rump which arrogates the name. That is merely performing the function of the whited sepulchre.

I might remind the House again that that article, with all the adjectives it contains, was not written by me but by Mr. R. L. Richardson, a former Liberal member of this House. I commend it to the hon. gentleman who has just taken his seat and to those who sit near him, who have tried to work up their courage to the point of finding something pleasing in the past record of the Liberal party, and I would ask them to compare carefully the statement made in that regard by a former Liberal member of this House with their own statements as recorded in Hansard, give the matter some further study and see which party is right. The date of the paper is May 1, 1917.

The hon. member for Gloucester invited comparison in regard to Canada's debt, revenue, expenditure, trade, etc., between the record made by the party which he supports when it was in power and that made by the party which is now holding the reins of Government. I wish to take up that challenge briefly and first let me refer to that which we have always had in Canada, namely, the national debt. The national debt of Canada was increased by the Liberals during the fifteen years that they were in power by $87,000,000. The national debt was increased during the last three years that the Liberals were in power by $62,250,000. There is some little explanation for that if you look back and note events in Ontario. In 1905 the Liberal Government in Ontario went out and the Whitney Government came into power. You might wonder how that would affect the Federal situation. It was in this way that the grafters and hangers on who had loaded themselves on the Liberal party of Ontario for the last ten or fifteen years they were in power, finding themselves out of a job in the provincial arena, proceeded to besiege the fortress in Ottawa, and the party in power, the Liberals, could not refuse them. The result was that, following the election of 1908, when the Liberal party, the Laurier Government were returned to power in this country, they

thought that they were invincible, and they became absolutely recklesss in their extravagance and expenditures. With the fiscal year ending 1909 this party, which had denounced the Tory Government for extravagance, added $46,000,000 to the public debt of Canada in one year. In the next fiscal year, ending March 31, 1910, they added $12,500,000 to the public debt, and in the next year, 1911, they added $3,750,000, or a total addition to the national debt of Canada in the last three years of Liberal rule of $62,250,000. Then Providence very kindly intervened to save this country from those who were despoiling it, and up to March 31, 1914, the Borden Government had not only met its obligations, paid its expenses as it went along, but had shouldered some $120,000,000 of obligations incurred by the Grits while they were in power, and had reduced the debt from $340,000,000, what it was when they assumed the reins of office, down to $336,000,000. That was before the war broke out. Then the war came on and we have this to say, and I challenge contradiction of the correctness of my statement, that from the time the Borden Government assumed the reins of office, so far as the national debt of Canada is concerned, it has decreased that national debt by several millions of dollars, and that to-day we on this side of the House are in a position to say that not one dollar of debt has been added to the national debt of Canada since this Government came into power except through the war. During the last fiscal year not only did the Government meet all its obligations, current and capital expenditures, and meet a large pension call upon its funds, but it also paid the interest on the national debt, and do not forget that in paying interest on the national debt they were paying interest on some $87,000,000 added to that debt by the Liberal party. In addition to paying all this during the last fiscal year, this Government paid some $60,000,000 on war account.

10 p.m.

A word or two in regard to the aggregate trade of Canada. In the fiscal year ending March 31, 1911, the aggregate trade of the Dominion of Canada amounted to $752,000,000, exclusive of coin and bullion. That was the amount of our aggregate trade for the last year the Liberal party was in power. The first year after the Conservatives came into power, that is the fiscal year ending March 31, 1912 the aggregate trade of Canada had increased from $752,000,000 to $841,000,000. The next year, 1913, it had still further increased to $1,063,000,000. The next year, 1914 it had still further increased to $1,090,000,000. Now that was before the war, when we might fairly well assume that conditions were about as normal as when the Liberals were in power. The next year, 1915, the aggregate trade was $958,000,000; in 1916 it was $1,309,000,000; and for the last fiscal year, 1917, it reached the enormous total of $2,043,000,000. These figures are exclusive of coin and bullion so that as regards comparisons along the line of our trade, I think we on this side of the House have nothing to apologize for and have very much to be proud of in the record made by the Borden Government.

But hon. gentlemen say that these figures representing the trade of Canada are entirely due to the war and to the enhanced prices caused by the war. I submit that that argument, whatever cogency it may have in regard to the trade of Canada for the years 1915, 1916 and 1917, cannot have any application to the figures I have given previous to that date, from the years 1911 to 1914. But, Sir, let us consider that statement for a moment. I freely admit that the figures representing the aggregate trade of Canada are enhanced or enlarged because of war conditions and of increased prices due to the war. But, at the same time, let me point out that the total trade of the United States for 1916 was $6,500,000,000. The United States has all the advantages, so far as we can call them advantages, from the trade due to the war that we have had. Any enhancement of prices that there was in Canada would apply in the same degree to prices in the United States. Their trade was $6,500,000,000, while ours was over $2,000,000,000. But their trade, according to population, should have been, not $6,500,000,000,000, but from $12,000,000,000 to $15,000,000,000. And let me say to those who may take objection to that argument, that the aggregate trade of England since the war has pretty closely approximated its increase to the proportion which England's population bears to ours, so I think there is something in that argument.

Let me refer to some of our exports, and I want to give figures for three years, the fiscal years ending on the 31st of March, 1911, 1914 and 1916. The exports from Canada of Canadian products in those years wereas follows:

Exports From Canada of Canadian Produce.

	1911	1914	1916
Mine..	$42,787,000	$59,039,000	$66,589,000
Fisheries ..	15,675,000	20,623,000	22,377,000
Forest	45,439,000	42,792,000	51,271,000
Animals and produce ..	52,244,000	53,349,000	102,882,000
Agricultural produce ..	82,601,000	198,220,000	249,661,000
Manufactures	35,283,000	57,443,000	242,034,000
Miscellaneous	285,000	122,000	6,792,000
	$274,314,000	$421,588,000	$741,606,000

These exports include products of the mine, forest and sea, animals, agricultural products and so on, so that hon. gentlemen cannot say that this increase is due to demands made upon us by the war. The figures of exports in 1914, under Conservative rule, when conditions were not affected by the war—in respect of all kinds of Canadian produce, whether of the mine, fisheries or forests, animals, agricultural products or manufactures—were larger than they were in 1911, and the total in 1914 was nearly double the total in 1911. Our exports of Canadian produce to the United Kingdom in 1912 amounted to $147,000,000, and in 1916 to $451,000,000. Of these amounts, in 1912, breadstuffs amounted to $78,000,000, and in 1916 to $198,000,000; provisions, $31,000,000 in 1912, and $63,000,000 in 1916. Our exports of Canadian produce to France in 1912 were valued at $2,048,000, and in 1916, $33,703,000. We exported to France, in 1912, cattle and horses to the value of only $11,520; in 1916 the value of the export was $1,530,000. Of breadstuffs we exported to France, in 1912, under Laurier rule, $6,169,000 worth, and in 1916 $16,016,000 worth. I am very much pleased that these figures show that since the beginning of the war Canada has rendered great assistance by supplying breadstuffs and provisions not only to the Mother Country, but to our heroic Ally, France, as well.

Our exports of Canadian produce, in 1912, to the United States amounted to $102,000,000—that was under the beneficent influence of Liberal rule—and in 1916 the value of similar exports was $201,000,000. Of living animals we exported to the United States, in 1912, $1,697,000 worth, and in 1916 $13,207,000 worth; of breadstuffs, in 1912, $5,676,000 worth, and in 1916 $14,000,000 worth. The value of the export of provisions, in 1912, to the United States was $12,325,000, and in 1916 $1,829,000. In 1912 we imported from the United States $4,708,000 worth of horses and cattle, and $1,747,000 worth in 1916. Of breadstuffs we imported from the United States, in 1912, $16,000,000 worth, in 1916 $25,000,000 worth, and of provisions $6,000,000 worth in the former year, and $12,000,000 worth in the latter year These comparative figures concerning Canada's trade during the years I have mentioned are, I repeat, very much in favour of the Liberal-Conservative party.

Let me refer for a moment to the question of bran and mill feed. Our average imports of wheat flour from the United States during the last five years was only 50,000 barrels. The value of our export of the same commodity in 1912 was $23,000 and in 1916, $1,259,000. Our imports of bran and mill feed in 1912 and 1916 were insignificant, a matter of $33,000 in the former year and $43,000 in the latter, while our export of bran and mill feed in 1912 were $444,000 and in 1916, $1,602,000. I ask the attention of the House particularly to the figures respecting our exports of bran and mill feed, because they have an important bearing on the question of free wheat. At the time of the reciprocity pact I was opposed to making wheat and flour free of duty, and was also opposed to it subsequent to that time. Hon. gentlemen opposite, of course, were also opposed at the time of the reciprocity pact to making wheat and flour free. In 1913 the United States passed a tariff Act by which they agreed to place wheat, wheat flour and semolina on the free list when these articles should be admitted from the United States into any other country free of duty. This Government thought it wise to avail itself of that offer. I submit that the relations between Canada and the United States were entirely changed by the entry of the United States into the war as one of our Allies. There was and still is a demand for wheat that can be carried from the United States or Canada across the ocean. I need not remind the House that the cost of transporting wheat is enormous, and it is only natural that those who buy wheat in North America for transportation across the ocean should buy only the higher grades. The cost of transporting the lower grades is just as great as the cost of transporting the higher grades, therefore purchasers naturally wanted to be supplied entirely with No. 1 wheat. The result was that there was no demand for the inferior grades of wheat. Several interests in Canada are directly affected by the removal of duty from wheat and flour. First, the farmers of the West, who expect to get a larger price for their wheat because it has free entry into the United States—though I do not think they will gain anything like

what they expect to gain. Secondly, the millers, who are naturally interested in the matter; and, thirdly, the eastern farmers, who are directly interested. The interest of the miller is as to how the removal of the duty will affect the manufacture of the flour, but the interest of the eastern farmer is in regard to the by-products. The bran and the meal is obtained by grinding the wheat and it is in the interest of our farmers in eastern Canada, in Ontario, Quebec. and the Maritime Provinces, to have as much wheat as possible ground in Canada in order that they may be supplied with the by-products, to assist them in raising their beef cattle.

I am going to make a suggestion which, I hope, will receive the earnest consideration of the Government and the members of this House. My suggestion may not have much merit, but it may lead to some discussion or the presentation of some ideas which may be of general benefit. I desire to say, speaking as an eastern member from the province of Ontario, that I will hold up both hands in favour of this Government or any other Government that may be in power in this country taking ten, fifteen or twenty million dollars from the public treasury of the Dominion of Canada to build ships in this country to carry absolutely free Canadian flour from Canadian ports across to Liverpool. I would not be in favour of carrying Canadian wheat absolutely free, but I would be in favour of carrying on those ships Canadian wheat at just as low a rate as would still leave an inducement for the conversion of that wheat into flour in Canada.

What have we facing us in this country at the present time? We have three transcontinental lines of railway, one of which is quite able to pay its way, the other two of which have created what we call the railway problem of the Dominion of Canada. So far as these transcontinental lines of railway were concerned, the original idea not only of this party but of all parties in this country, was to bind the various provinces of this Dominion together, to have the trade of the East carried to the West and the trade of the West carried to the East over Canadian lines, in that way binding the various provinces of Confederation together with bands of steel. Have we been successful in that? We have spent large sums of money in endeavouring to induce immigrants to come to this country, to settle upon our western lands and to produce more wheat, although we had the certain knowledge that the more money we spent in order to induce immigrants to come to this country, the more immigrants we got to settle upon our western lands and the more wheat that was produced, the more the people in that western country were building up the railway lines and seaports on the other side of the border, while our own railway lines were going hungry and our own seaports were without work to keep their Canadian population busy. If it is justifiable to take from the public treasury money with which to build Dominion Government railways to transport products overland at less than cost, as has been done on Canadian Government railways for many years, it is far more justifiable to take from the public treasury to build ocean steamers to carry Canadian flour from Canadian ports across the ocean to Liverpool. By working along that line we would not only give tangible encouragement and support to our transcontinental lines of railway, but if we could divert some of that wheat from American lines to Canadian lines, we would give more employment to Canadians on our Canadian railways, and we would also give more employment to our Canadians in Canadian ports. I would stipulate that we would carry only Canadian flour, that is, flour manufactured in Canada from Canadian wheat and carried over Canadian railways to Canadian ports. In that way we would most materially assist the Canadian railway situation and we would also assist our Canadian millers by the encouragement we would afford them to manufacture larger quantities of flour. I need not amplify on the advantage that this course would prove to the farmers of Ontario, Quebec, and the Maritime Provinces in the by-products with which it would flood the eastern portion of Canada. All of these things justify me in placing this matter before the Government and before Parliament, and I trust it will receive the earnest consideration of the members of this House. It is passing strange that in years gone by, whenever the freight rates over our Canadian railways have been reduced, the ocean rates have been increased. I am not prepared to say just what the reason for that is. I have been told that many of the British millers are also financially interested in the vessels which carry either the wheat or the flour from this country to England. I do not make that statement as being correct, because I am not in a position to say whether it is or not, but I

am told that such is the case. If that be the case, then this Government is still further justified in taking action that will prevent any combination of that kind from working against the interests of the people of Canada. It is needless to say what a great boon this would be to the people of Canada in encouraging shipbuilding in this country; it would be a great boon not only to the Maritime Provinces but to the various places in the provinces of Ontario and Quebec where ships could advantageously be built.

I desire to refer now to some statements which have been made by one or two hon. gentlemen on the other side of the House The hon. member for Moosejaw (Mr. Knowles) in his speech a few days ago stated:

> We want freedom of foodstuffs, freedom of fruit, freedom of lumber, of agricultural implements, and we want all the open markets of the world which we can get.

He was out and out for free trade. We have in this House the hon. member (Mr. Michael Clark), who is now and always has been, since I have known him, an ardent and consistent free trader. Although I differ entirely from his views on trade matters, I respect that hon. gentleman because I believe he is absolutely sincere in his views. I am sorry I cannot say the same with regard to the hon. member for Moosejaw and his associate from the West, the hon. member for Assiniboia (Mr. Turriff), because those hon. gentlemen have taken different attitudes at different times. For instance, the hon. gentleman from Moosejaw in his speech the other day advocated free trade all along the line, in agricultural implements and everything else. That was not the attitude of the hon. member for Moosejaw or of the hon. member for Assiniboia some years ago. In regard to agricultural implements, when the reciprocity pact was introduced in this House by the hon. Mr. Fielding, he stated that:

> They—

That is the farmers of the West.

> —would be glad to have them free of duty, but I must frankly say to them that we do not think that is fair. Like all others, they must be prepared to give and take; they must be prepared to bear their share of the burdens of the country.

He then proceeded to say that the duty which was 17½ per cent, had been reduced to 15½ per cent. The hon. member for Dundas (Mr. Broder) then asked this question:

> Is there any change to be made in the valuation for duty?

Mr. Fielding's answer was:

> Our negotiations have not touched the question of valuation; that must be left to the operation of the Customs authorities of the two countries.

I quote that because it shows the attitude taken by the Liberal party in regard to this matter of removing the duty from agricultural implements. For eighteen years up to 1896 they declared that protection was a curse and that if they came into power they would remove it entirely. But they made no move whatever from 1896 down to 1907 when they did make some minor changes which no one will say eliminated the principle of protection from the tariff; but while in 1907 they made a reduction in the tariff of 2½ per cent, they actually made an increase in the duty. The former tariff was 20 per cent, and the binder was valued for duty purposes at $80; 20 per cent on $80 is $16. But immediately the Liberal party reduced the tariff from 20 to 17½ per cent, they raised the valuation of a binder for duty purposes from $80 to $100, so that the 17½ per cent duty produced $17.50, as compared with $16 under a 20 per cent tariff. That is the way the Liberal party dealt with the farmers of this country in regard to agricultural implements. When the Liberal party in this House was undertaking to make some changes in the tariff in 1907, the hon. member for Souris (Mr. Schaffner) proposed that the duty should be reduced from 20 to 10 per cent instead of to 17½ per cent, but his motion to that effect was voted down by 56 to 22. Every Liberal member who was in the House when the vote was taken absolutely forgot the farmer and the pledges that his party had been making practically all their lives. Speaking on the same occasion, the hon. member for Moosejaw (Mr. Knowles) said:

> I shall give the Government hearty support for I believe the policy of the Government is in the interests of the country.

On that occasion the hon. member for Moosejaw not only voted against reducing the duty on agricultural implement, but ardently supported the Government in keeping the duty to 17½ per cent. On the same occasion the hon. member for Assiniboia (Mr. Turriff) said:

> The Tariff Commission got information all over the country. I do not think the farmers of the West at all events, asked for a great reduction such as is proposed by this resolution

on agricultural implements. They asked that the duties be left alone. I shall give the Government hearty support on this question.

He talks very differently now. On the same occasion the hon. Mr. Fielding made this statement:

> Even suppose for a moment that he (the farmer) got everything free and had a duty of 17½ per cent on the implements, would that be an extravagant duty as things go in this country? I believe this proposal of the hon. member for Souris, if adopted, would do an injustice to an established industry. My belief is that if this motion were passed we would strike a severe blow at one of the great industries of the country. I believe the International Harvester Company would find it to its interests to close up its business at Hamilton, at least so much of it as is devoted to mowers and binders, and have them made at the American branch and bring them from the United States.

These are the words of the Finance Minister of that day in regard to reducing the duty on agricultural implements to 10 per cent.

As I said a moment ago, the hon. member for Moosejaw now declares that he is in favour of absolute free trade all round, free fruit, free agricultural products, free agricultural implements and everything else. How many hon. gentlemen opposite agree with those views of the hon. member for Moosejaw? Will the hon. member for South Renfrew (Mr. Graham) say that he is in favour of free trade in agricultural implements and everything else? Will the hon. member for South Cape Breton (Mr. McKenzie) say so? No. The first thing that would come into his mind would be coal, and the first thing that would come into the mind of my hon. friend from Northumberland (Mr. Loggie), I suppose, would be fish, and the other hon. gentlemen would have something else on their minds. Here, then, we have one member of the Liberal party who professes to represent his leader in his particular part of the country advocating free trade, and other hon. members of the Liberal party sit in the House here and dare not and will not say that they endorse the sentiments of the hon. member for Moosejaw in that regard.

The hon. member for Assiniboia, comparing the expenditures in 1910-1911 with the expenditure in 1915-1916, said, the other day, that there was an increase in the expenditure of the Labour Department of 32 per cent, and he quoted the figures for other departments to show the percentage of increase. He also stated that the hon. Minister of Trade and Commerce had offered $1.20 a bushel to the farmers of the West for their wheat. The hon. Minister of Trade and Commerce stated in the House yesterday that the proposal to purchase at $1.30 per bushel, instead of $1.20, was made, not by the Minister of Trade and Commerce, but by the Imperial Wheat Commission, and was simply communicated to representatives of the Canadian Council of Agriculture by him; that was his whole connection with the matter. What object has the hon. member for Assiniboia in mis-stating the facts in that fashion? I do not think any person would say of the hon. member for Assiniboia that "he knew how to lie like a gentleman." Those statements of his have been shown to be not in accordance with the facts, and not only those statements, but dozens of statements in every speech that he makes are absolutely devoid of the truth. The hon. member for Assiniboia has had considerable to do with this country, to the country's sorrow. When the Laurier Government was in power he occupied a position as Commissioner of Lands, and he had some relatives and friends out in the West who are very thankful to-day that he occupied that position. There was supposed to be a man named H. B. Brown, who made an application for some 28,000 acres for grazing purposes while the hon. member for Assiniboia was Commissioner of Lands. In some mysterious way the figures were raised from 28,000 to 60,000. No one has ever been able to find any trace of Brown, but the relatives of the hon. member for Assiniboia appeared on the scene a little later and enjoyed the profits of the transaction. So we have this hon. gentleman figuring in deals which resulted in the stealing of the public domain, both forests and lands and the fish in the lakes, and now he has the effrontery to get up in this House and denounce the Government time and again for extravagance. Such is the hon. member for Assiniboia. But I notice that he has nothing to say in regard to the gentleman from the West who sits near him, the hon. member for Edmonton (Mr. Oliver), who took royalties on lands out in the West, royalties to which he was not entitled, and which he put in his pocket and has kept in his pocket down to the present. Yet hon. gentlemen opposite will get up and talk about profiteers and the exorbitant profits made on shells and so on.

We have another rara avis in this House, the hon. member for Carleton, New Brunswick (Mr. Carvell). One day he is in favour of letting all stock come into the country free, and the next day he is in favour of putting on an embargo to prevent any going out of the country. One

day he denounces the Government because they do not negotiate with the United States for the free admission of potatoes into the markets of that country—this is when they have an extra crop and potatoes are low in price—and recently in this House he announced that he would force the farmers of New Brunswick and other parts of Canada to sell their potatoes at $1.75 a bag. And why? Because he had sold his potatoes at that figure, and had not any more potatoes to sell. He is so envious that he would not allow his neighbours to make twenty-five cents a bag more on potatoes than he had made himself. Well, for once the hon. gentleman was consistent with his former action. Some years ago, when he was purchasing hay, looking out for a profit for himself, $8 a ton was the maximum price he would give the farmers of Carleton for their hay. He took care to have a penalty in his agreement with those who bought on his behalf in case they should pay the farmers more than $8. The farmers of Carleton did not want to sell their hay at that price, and he determined to bring them to time. He sent to the province of Quebec to get a few carloads of hay, and then he told the people of Carleton that he could get hay elsewhere. He had them tight, and so they had to accept his offer. Yet now he sheds crocodile tears of sympathy with the farmers of this country, while at the same time he would force the farmers to sell their wheat at a certain price and their potatoes at a certain price. I venture to say that if this Government undertook to carry out suggestions made by the hon. member and certain other gentlemen on the other side, he would be one of the first to raise such a howl as could be heard from the Atlantic to the Pacific in protest against the Government's action.

A great deal has been said by hon. gentlemen opposite about the cost of food. I think that, to a great degree, the increase in the cost of food is due to natural causes, to the relation of supply and demand. The people in Canada to-day are paying the penalty of their action in past years. As was pointed out the other day by the hon. member for South Oxford (Mr. Sutherland), for years in this country, while the Liberal party was in power, there was an exodus from the farm to the city. People were leaving the farms because the farmers were not making one half of one per cent on the money they had invested. There was no encouragement for the boys to stay on the farm, and so they flocked to the towns and cities. As a result we have not more than one man to every hundred acres on the farms in the province of Ontario. Last year in that province we had 365,000 acres less under cultivation than the year before. I have had placed in my hands by the hon. member for Brockville (Mr. Webster) a short newspaper article which gives facts on this point that are very startling. The article is as follows:

Why food will be scarce.

Figures furnished by the United States Department of Agriculture, which is now as interested in promoting food production in the United States as is our own government here in Canada, place the number of men removed from productive pursuits by the war at 56,000,000. Of these, 6,000,000 men have already been killed; 4,500,000 are in prison camps; 15,000,000 have been wounded, of which number 1,500,000 have been permanently incapacitated. There are now 5,000,000 men in the hospitals. Those under arms at the front total approximately 35,000,000 men.

Think of it! 56,000,000 of the able-bodied men of the world withdrawn from the ranks of producers. Half the population of the United States, counting every man, woman and child; almost eight times the population of Canada. When we consider the small crops of the last year, the small surplus of food that there is now in the world, and the great reduction in the number of producers, it is easy to understand the worldwide dread of famine. Conditions call for the greatest production of foodstuffs that is humanly possible.

Let me give some figures to show the position in relation to the potato crop. There was an excess of production in 1916 over 1915 in certain provinces, as follows:

	Bushels.
Maritime Provinces	6,729,000
Manitoba	1,600,000
Saskatchewan	850,000
Total	9,179,000

There were shortages in the potato crop in 1916 over that of 1915 as follows:

	Bushels.
Ontario	6,250,000
Quebec	2,800,000
Alberta	500,000
British Columbia	1,100,000
Total	10,650,000

On the whole, the shortage in Canada's potato crop was over 1,470,000 bushels, as compared with the previous year. In the face of that shortage, where can we get our supply of potatoes? In the United States? In the nineteen northern states of the Union, which produces on the average sixty-one per cent of the total potato crop of the country, they were forty-four per cent

short in 1916 of the production of 1915, and fifty-five per cent short of the average production of the previous five years. That is, in 1916 the potato crop in the United States was over 75,000,000 bushels short of the previous year. In Great Britain and Ireland there was a shortage of 77,224,000. On the whole in Canada, the United States and Great Britain and Ireland, there was a shortage in 1916 as compared with 1915 of over 153,000,000 bushels. Knowing that there is a shortage of potatoes, it is only natural for the people to turn to other things. But Canada's other crops were short to the following extent:

	Bushels.
Wheat	200,000,000
Oats	172,000,000
Barley	19,380,000

In the United States, there were shortages in the crops as follows:

	Bushels.
Corn	411,000,000
Wheat	386,000,000
Oats	249,000,000
Barley	147,000,000
Rye	6,000,000
Buckwheat	3,000,000
Total	1,202,000,000

When I make the statement that the increase in the cost of food stuffs is very largely attributable to natural causes, I think I am absolutely borne out by the figures I have given. In England and Wales the wheat crop was 12,000,000 bushels short of that of the previous year. Argentina, which has been referred to by the hon. gentleman who preceded me, and by others in this House, has found it necessary, because of the failure of its crop, to place an embargo upon the export of grains which embargo took effect in March of this year. The figures of the food grains of the world, I am informed, up to March 31 of this year, showed that they were 150,000,000 bushels short of the world's requirements up to the month of August. That is the situation that we are in and it does not seem at all remarkable that there should be such a marked increase in the price of grain.

With regard to the price of flour, if hon. gentlemen will take the statement made by the hon. member for South Cape Breton (Mr. Carroll), if they will take the statement made by the hon. member for Richmond (Mr. Kyte) and if they will look these statements over very carefully, or even casually for that matter, and compare the prices of wheat with the prices of flour at the various dates which these hon. gentlemen mentioned in trying to make out their argument and to show the House and the country that the millers were taking the people by the throat, they will see that the prices of flour in the instances in which they gave for last year and for this year conform to the advanced prices of wheat. If you assume that it takes five bushels of wheat to make a barrel of flour, the price of flour conforms very closely to the price of wheat. It is folly to talk of forcing the millers to sell flour at a certain price without touching the price of grain. In order to reduce the price of flour you have to go back to the man who raises the wheat and force him to sell his wheat at a certain price. There is not an hon. gentleman on the other side of the House who will dare get up and advocate any such thing and fix the price. These hon. gentlemen will travel all around the price, but yet they say that the Government should commandeer the wheat. They take mighty good care to steer clear of fixing the price. They are afraid to fix it too high because that would put up the price of flour and they would get hit on the heat with a brick when they went down East and they are afraid to fix the price too low because it would interfere with the chances of the man who wanted to get elected in the West. They are playing a double game in this as they have played a double game all along and as they played it in 1911 when they told the consumers that if they got reciprocity they would get everything for nothing and the producers that if they got reciprocity they would get higher prices for everything they had to sell.

I am in hearty accord with the statement made by the hon. member for Red Deer (Mr. Clark), and I think some other hon. gentlemen, with regard to the taxation of war profits. We are approaching the time, or we have come to the time, when wealth has got to contribute more largely than it has in the past towards the expenses of this country. I think that taxation of war profits is a step in that direction, and I hope that in the years to come those who have accumulated large quantities of wealth will by legislation be made to contribute more largely than they have in the past towards the running expenses of our country.

The hon. junior member for Halifax (Mr. Maclean) touched upon the Highway Improvement Bill which my hon. friend the Minister of Railways proposes to present to

this House. He said the Government could not go to the money markets of the world and obtain money for any such purpose as that outlined by the Bill. I differ entirely from the hon. junior member for Halifax. I want to give it as my opinion that this Government, or any Government, could go to the money markets without going to the world outside of Canada, that they could make their appeal to the people of Canada for a loan for such a purpose and get it subscribed ten times over if they should see fit to ask for it. I am surprised that there should be any opposition to this idea. There certainly ought not to be any opposition from any hon. gentleman coming from the western part of the country who is interested in freight rates in so far as carrying his grain is concerned. You have, in carrying your grain, to consider the rate on the railways, you have to consider the rate across the ocean, but you should also consider what it costs to carry your grain from the farmer's granary to the elevator or to the railway track. I venture to say that in many cases it costs more to haul the grain of the western farmer who lives some distance away from the railway, 12, 15 or 20 miles, to the railway track than it costs to transport that grain from the railway track clear across the ocean to Liverpool. If any hon. gentleman thinks that is an extravagant statement, let him consider it for a moment, let him work it out and he will find that I am pretty nearly right. It is of the highest importance to the farmers that there should be highway improvement, and that some of the money of this country should be used for this purpose. I regret exceedingly that the Bill which was passed through this House twice should have been twice thrown out by a partisan Senate under instructions from the leader of the Opposition, because if it had been carried out it would have resulted in these sums of money being paid for highway improvement to the various provinces from 1912 to 1915.

Alberta	$ 287,055
Saskatchewan	377,259
British Columbia	300,684
Manitoba	349,048
New Brunswick	269,591
Nova Scotia	377,186
Prince Edward Island	71,811
Ontario	1,933,069
Quebec	1,534,311
Total	$5,500,000

This sum, between 1912 and 1915, would have been spent in the various provinces of Canada in improving the facilities of the farmers to carry their produce to the closest railway market. The $40,000,000 which was squandered by the Liberal Government in connection with the Transcontinental railway would have constructed thousands of miles of roads in the various provinces just as good as the state roads on the other side of the line and to the great advantage of the people.

There is another matter in regard to which I wish to say a word, and that is in connection with military service. The hon. member for Carleton (Mr. Carvell) made the statement in this House in 1914:

> Well, Sir, the militia is a different organization from what it was when I belonged to it if it helps anybody's morals, manners or religion.

I have told you what the hon. member for Carleton, New Brunswick (Mr. Carvell) did with his farmers down there in regard to hay, and what he would do with them in regard to potatoes. I call your attention to his own remark which refers to his morals. With regard to manners, well we have had a lot of discussion during the last eight years in which I have been a member of this House with regard to the Militia Department. That department has come in for some hard hits, but the toughest and hardest thing ever attributed to the Militia Department of Canada is this statement of the hon. member for Carleton. If his manners are the result of his connection with the Militia Department of Canada, I say that is the saddest and hardest thing ever said of the Militia Department of Canada. The hon. member talks about their expenditures for drill halls and armouries and the mistakes they have made, but this is the greatest burden the Militia Department has had to carry, if they are responsible for the manners of the hon. member for Carleton, N.B.

There is another member from the East to whom I wish to refer, who represents Guysborough (Mr. Sinclair). In the Montreal Gazette of yesterday, I noticed a report of an address by the hon. member to a Liberal Club in the province of Quebec, in Montreal I think. He had a perfect right to go to Montreal or to any place else and address a Liberal Club. If they can stand it, I have no objection to make. And I suppose he had a perfect right, if he so desired, to discuss politics. That is naturally what he would discuss at a Liberal Club. But, in the course of his remarks on that occasion, as reported in the Gazette, the hon. member for Guysborough took occasion to throw a sneer at the Orange Order of the province of Ontario, and it is to that I wish to allude. Mr. Speaker, I want to call your

attention to this, that within twenty-four hours of the declaration of war, the heads of the Orange Order in Canada sent out a circular to their members calling upon them to enlist and fight in this war. I want to call your attention to the fact that there are at present in the trenches over in France upwards of 50,000 Orangemen from the Dominion of Canada. I want to call your attention to the fact that some 2,000 Orangemen from Canada are buried in France; they gave their lives for this cause. And when the hon. member for Guysborough refers to the

11 p.m.

Orange lodges in a sneering way let me remind him that these Orange lodges have been recruiting centres since this war started, and that they have also been collecting centres, that the Orangemen of Canada have put their hands in their pockets and given liberally to the Belgian relief fund, to relieve the condition of the Roman Catholics of Belgium, and have given their lives fighting alongside of French and British soldiers in defence of Belgium, and to maintain her rights. I say it ill becomes the hon. member for Guysborough at this time to throw out any sneers in regard to the Orange Order. The Orange Order is represented at the front by men who are risking and laying down their lives in defence of this great country, while men of the stamp of the hon. member for Guysborough descend to vilifying the Orange Order. I for one resent that, and I think I have a perfect right to resent it. I say it is unworthy of any member of this House, and that only a member who has a mighty small mind and takes a mighty narrow view of things would get up in any assembly in this country and at this time cast aspersions upon an order whose members to-day by the thousands are risking their lives at the front, while he, the member for Guysborough, is here in perfect safety in Canada.

Hon. gentlemen have been much concerned in regard to food production and in regard to conserving the food of this country. The hon. member for Laprairie (Mr. Lanctot) would go further. The hon. member, speaking in this House, said he would not send any more Canadians overseas; in fact, he says we have sent entirely too many men from Canada overseas. He would go further than that; he would place an embargo upon the food products of this country, and not allow them to go overseas. The hon. member for Laprairie is in this position: He refuses to allow, or, if he had the power, would refuse to allow, our men to go across and take part in this war, and he would punish those who have gone over by denying them even the means of keeping soul and body together. He would actually starve those who have gone to the front. That is the position he assumed in this House during the present session. Well, the hon. member is welcome to take that position if he likes. I do not think he is doing his province any good when he takes that position. There are those in this House, sitting on the other side, who frequently throw bouquets to their leader. That is all right, I do not blame them for doing that. Occasionally we find men on this side of the House who express their admiration for the right hon. gentleman who leads the Opposition (Sir Wilfrid Laurier). If it is a matter of admiring the right hon. gentleman for his personal charm, for his eloquence, for his strict attention to his duties in this House, I can certainly express my admiration for him also. But I have to stop there. When it comes to expressing my regard for him as a statesman, I say I have to stop. I cannot express admiration for a leader who denounced an annual expenditure of $38,000,000 by the Conservative Government and promised better things if put in power, yet who succeeded in the fifteen years he was in power in raising that expenditure from $38,000,000 to $122,500,000. I have no particular admiration for a party leader who pledged his word to reform the Senate, but who used that body for party purposes to block useful legislation emanating from this Government. Nor have I any particular regard or admiration for a leader who denounced protection as a thing accursed of God and man, and promised free trade, and yet for all the time he remained in power maintained that so called curse in practically the same position as it was when he assumed the reins of office. I cannot admire a leader who pledged his word to conserve the public domain of this country and who allowed his party followers to rob and steal from the public domain grazing lands, timber limits, and so on. I cannot express any great admiration for a leader who said: No coercion, so far as Manitoba was concerned, and who fastened the shackles on Alberta and Saskatchewan. Nor do I approve the course of a leader who said "hands off" one province; and would take another province by the throat, as he gave evidences of doing last session. I have no great admiration for a leader

who posed as a man desiring interprovincial amity and concord, and has encouraged his compatriots to the verge of revolution. Nor do I admire a leader who said that he would not seek to open the doors of office with a bloody key, and has smiled approval on tactics which have encouraged the enemy, retarded enlistment, and were intended solely to serve party ends. That, I think, is a fair indictment of the right hon. gentleman who leads the Opposition.

A good deal has been said as to whether or not we should have an election; as to whether or not there should be an extension of the life of Parliament. Well, Sir, if there is to be no extension of Parliament, the reason for not granting an extension must be found in such events as have taken place since the last extension of Parliament was granted. The first persons we should consider in this matter are the soldiers. The British Columbia elections demonstrated the impossibility of asking the soldier to vote over in the trenches. It would be a disgrace to the Dominion of Canada if an election were held at a time when it would be impossible to poll the soldiers' vote, because if there is one person more than another who has the right to express an opinion at the next election, it is the man who has gone overseas and is to-day risking his life in this war. But to any one who follows the press, other reasons are obvious why it would be inadvisable to hold an election at the present time. Speaking from a party standpoint, I would certainly say, bring on your election. But there is something bigger than party. Perhaps hon. gentlemen have read in the papers about what took place in the city of Montreal the other night at a meeting which one of the members of this Government tried to address. Any person who brings an election on in Canada at this time is assuming a grave responsibility, for I firmly believe that the adoption of such a course would result in bitterness which would not die out during the lifetime of any man who sits within the four walls of this building. Let those who wish to assume that responsibility assume it. One cannot help being saddened, as the hon. member for Gloucester said this evening, by the spectacle presented in Montreal the other night. A minister of the Crown seeks to impress upon the audience the importance of their duty in regard to the war, and he is hooted and jeered at and howled down by young men in that audience who evidently do not wish to listen to any appeals along the lines of recruiting or enlistment. The reason for this, Mr. Speaker, is clear. The man who is responsible for the condition of affairs that exists in the province of Quebec is the right hon. gentleman who leads the Opposition. Follow the right hon. gentleman's career back as far as you wish and you will find expression after expression, statement after statement, made use of in times past by the right hon. gentleman which had a tendency to weaken regard for British institutions in certain parts of Canada. The right hon. gentleman sowed the wind, and we are reaping the whirlwind. His teachings, more than any other cause, are responsible for conditions prevailing to-day in the province of Quebec —and sad conditions they are.

Almost fifty years have passed since Confederation. There were big men in those days, though they had their differences, just as men have their differences to-day. I suppose there were some little men in those days also, but a sufficient number of men were big enough to lay aside political differences and political ambitions in order to effect a great purpose. There is a great purpose before the people of Canada to-day, which demands that public men should lay aside their differences and their aspirations, and that purpose is the winning of the war. If the men who figured in the public life of Canada in days gone by could come upon the scene to-day what would they say? They would be filled with pride to see Canada taking its place side by side with Britain and France in this great struggle for liberty. I venture to say that men of the stamp of Howe, Tupper and Tilley would not approve the attitude of the Carvells and the Kytes. I venture to say that men of the stamp of Blake and Macdonald and Mackenzie would not endorse the attitude of men like the Turriffs. And, Mr. Speaker, men like Cartier would not endorse the attitude which the right hon. leader of the Opposition has taken since the war began. These men, I say, were big enough to bury their political differences and to lay aside their aspirations in order to effect a great purpose, the Confederation of the Canadian provinces. But to-day we have men who for party and partisan reasons are risking the future of the community by encouraging a condition which has brought a part of our population almost to the verge of revolution. This is not as it should be, and I greatly deplore it. It does not matter very much whether a Tory Government remains in power or whether a Tory Gov-

ernment gives place to a decent Liberal Government—and I am not going to say that you could not find, if you searched diligently throughout the country, enough decent Liberals to form a Government. But, Sir, what does matter is this: it is very material to the future of this Dominion that the next Government which holds the reins of office should be in sympathy with Britain and with the British Empire, and should not be composed of the anti-British and the foreign element in Canada.

Mr. ROCH LANCTOT (Laprairie-Napierville) (translation): Mr. Speaker, (the deputy speaker, Mr. Rainville, in the chair) I followed with close attention the address just made by the honourable member for Frontenac (Mr. Edwards) and it is my intention in due course to reply to what he said about me in his closing remarks.

The Opposition had some cause for surprise in this year's budget. The Minister of Finance (Sir Thomas White) gave us free wheat. My only regret is that he did not go the whole way. I welcome his repentance; it is something in the right direction. Last week the Minister of Finance stated that with wheat on the free list the western farmer might secure a higher price for his wheat and the consumer purchase it at a lower cost. My honourable friend from Frontenac does not seem to share that opinion, as for me, I do think, with the Minister of Finance that free wheat will be a boon to the farmers.

My object is to discuss shortly the situation of the farmers in the East. If, on his return from Washington, the Minister of Finance announced that hay would be allowed into the United States free of duty, I should congratulate him in the name of the Eastern farmers. This year free hay would be of more consequence than free wheat, because wheat is selling very well while the price of hay is very low, there being no market for it. The Department of Agriculture at the beginning of the war had bought large quantities of hay in Quebec, but this year very few orders were placed, so that with the British market closed, we have only the American buyer to look to. If the duty of $2 per ton were taken off, it would help that much the export of hay to the neighbouring states.

I am sorry that the Minster of Trade and Commerce (Sir George Foster) is not in his seat at present, but I hope that some of his colleagues present will advise him to take steps to obtain free hay for Quebec and a good part of Ontario.

I am always taken aback when I hear reciprocity discussed in this House. It is true, Mr. Speaker, that the Minister of Finance admitted that free wheat would result in more money for the farmers. On the other hand, he was taking to task the right hon. Leader of the Opposition (Sir Wilfred Laurier) because in 1911 the Liberals had a different policy for different localities, because, said he, you told the farmers that with reciprocity the produce of the farm would fetch a higher price and in the city constituencies the candidates told the electors that goods would fall in price. The conclusion is quite logical, both the city and the farm would be benefited. The Minister of Finance states that free wheat means money for the farmers; he must then admit that free hay would mean the same to the Eastern farmer. If now butter, cheese, vegetables, all the fruits that we do not grow in winter, eggs, etc., were on the free list, the people in the cities would be the gainers. Is it not true that right now and through the winter, Canada has imported from the United States fruits and vegetables in very large amounts and millions of boxes of eggs, on which we have to pay a duty of three cents per dozen. So with butter and cheese. If there were no duties on such products, some kind of competition would be introduced, not against the farmers, but against the speculators, against those who store up those goods to raise prices. Consequently, reciprocity with the United States in the exchange of the fruits of the soil would be of equal benefit to the country and the towns.

To me the reply of the Minister of Finance to my hon. friend from Richmond (Mr. Kyte) on this question of free wheat was no small cause of surprise. The hon. minister apparently has a deep regard for the farmer's interests; nothing better; but I think the Government might have found a different answer for my hon. friend from Richmond. According to the minister's own statement, the situation is without remedy; the Government is powerless. The responsibility, said he, rests with the Imperial Purchase Commission. I claim, Mr. Speaker, that the Government could secure what they want if they had at heart the people's interest. But it must be taken into account that the common people who are in greater need of bread than the well-to-do, are not always in touch with the Government. It is not from the people that the Government springs, but the real rulers are the big wigs, not only the ministers, but the magnates that surround them. Could not an in-

vestigation find out in a very few days the quantities of wheat piled up in elevators, how long they have been stored and the prices at which it has been bought? Then, allowing for the cost of storage, the interest on the investment and a fair profit on the cost price, the Government would have been in a position to say: we commandeer so many bushels of wheat for the people of this country.

What difference does it make whether it is the Imperial Government, the speculators or the millers who corner the wheat? The Government's first care should be the interest of the people who appoint them and I submit that it is not fair to let the people of this country suffer for the sake of the Imperial Purchase Commission. If I am rightly informed, very few goods are shipped overseas, because we have no ships and there lie one hundred million bushels of wheat stored up or in the hands of the growers. Why not in that case take from those speculators twenty or twenty-five million bushels at a little over cost price and have it milled in order to distribute the flour among the people at a reasonable price? The thing is as simple as a, b, c. The matter, Mr. Speaker, is where it always is: the big fellows must not be interfered with. Here is an instance: during the month of December, 1915, the Government put an embargo on Canadian wheat, prohibiting its export to the United States. They had a right to do so and I raised no objection because the big speculators cannot corner hay as they do wheat. Hay is not listed on the Exchange, as it is too bulky and cannot be stored up like wheat, and it takes too long to make millions out of it.

On the 23rd of February, 1916, in the course of my remarks on the Budget, I warned the Government that they might be right in placing an embargo on hay provided they took over the supply of No. 1 hay from the farmers of the province of Quebec and elsewhere, otherwise the embargo was ill-advised. You know the facts, Mr. Speaker, and at the time you yourself inquired as to the quantity of hay purchasable. I told you then that there were 55,000 tons of hay ready for shipping in the Maritime Provinces and all the way to lake Superior, and the Government required 100,000 tons. I further stated that in my constituency and elsewhere there would be some hay left over from last year when the new crop was ready for the market. Have my calculations turned out true or wrong?

[Mr. Lanctot.]

Many members could find out from their electors that my statement is correct. The embargo was mainfained until June, 1916. The Government, apparently aware of their mistake, raised the embargo but for a few weeks only.

What was the effect of the embargo on the hay dealers? They lost large amounts; the time being limited, they exported too heavily to the United States. Hay is not like ordinary merchandise; the farmers must empty their barns to make room for the new crop. So with the dealers; their sales and consignments to the United States were too heavy and, as a result, they lost $50 to $75 on every carload. Many kept their hay, and it brings $10 a ton to-day. And all that time, Mr. Speaker, our Government was buying hay from the United States. They paid no heed to the suggestion I had made on the 23rd of February, 1916, but went to Ohio, Michigan and New-York State for hay for which they paid $20 a ton, although it was nothing but culled hay, that would have fetched barely $12 in New York and Boston or, I dare say, on any other American market. Hay sells well in the United States provided it is of good quality. The hay dealers of Ohio and Michigan arranged to sell to Canadian dealers who resold to the Government at a profit of $5 a ton. I state without hesitation that profits were made amounting from $100,000 to $125,000 to the detriment of the Canadian farmer who was debarred by the embargo from shipping to the United States.

Now, Mr. Speaker, all this talk by Government supporters, about the country's prosperity being greater than ever before comes to me as a surprise. Let us investigate the facts. For instance, the Minister of Finance heralded that $134,000,000 were collected in customs duties from the people of this country. Does that indicate that we have been buying more than before the war? I think not: an imported article valued at say $40 in pre-war days and paying 30 per cent duty brought into the treasury $12; that same article is now valued at $80, $90 or $100, so that the same duty of 30 per cent increases the revenue by $30 instead of $12 with the additional 7½ per cent war tax; thus three times more duty is paid on the same article than was paid some years ago.

Shall we quote the high price of living, which has doubled or trebled, as proof of the country's prosperity?

Again, the manufacture of steel for war munitions has greatly increased the total production, but that, I think, will end with

the war. As a farmer and a business man, I claim that in our estimate of the country's business, we should not take into account our output of shells and munitions and other things necessary for our soldiers, the cannon fodder, as they were labelled in 1910-1911. When the war is over, the Minister of Finance and the Government supporters will find it impossible to boast throughout the country about the country's prosperity. The people see through the misleading statements made by the Minister of Finance and spread broadcast about the country.

Now for my hon. friend from Frontenac (M. Edwards), who saw fit to compare the liberal Government in 1896 with the present regime. It was terrible to have such a man as the Right hon. leader of the Opposition (Sir Wilfrid Laurier) at the helm for fifteen long years, from 1896 to 1911. Let us see. What was the national debt at the advent of the Liberal party in 1896? The net debt amounted to $258,000,000 and on the 21st of August 1911, it had increased to $318,000,000; in 1896 the gross indebtedness was $362,000,000 increasing to $474,000,000 on the 21st of October, 1911; so that during fifteen and one-half years of Liberal rule the net debt has increased by $60,000,000 and the gross indebtedness by $112,000,000. Will you call that extravagance? If so, it is far less than under the present Government, with a great deal more to show in development of the country. From 1878 to 1896, Canada remained at a standstill, while it made gigantic strides from 1896 to 1911, with no expenditure for military purposes. Hon. gentlemen opposite blame the war for their enormous Budget and claim all the credit for an increased revenue.

Suppose a farmer lives on his farm for twenty years, working every bit of it, ploughing it, harrowing it, weeding it carefully and then sells it, the purchaser is bound to reap good crops for some years to come; but if now the owner does not work the farm properly, the crops will fall off. Hon. gentlemen talk incessantly about the country's prosperity and a buoyant revenue; why not show alongside the increase in the expenditure? I will say openly that expenses cannot but increase with a minister in the cabinet like Robert Rogers who wherever he has been has squandered the public money. As one instance, look at the public works undertaken in the county of Laprairie, which had to be rebuilt three or four times. Were they intended to benefit the people? No, but to get votes. It is useless for hon. members to attempt to inspire faith in the present Government; our farmers are fully alive to what is going on here at Ottawa.

Now, in what position do we stand to-day? Last year, I predicted for this year a net indebtness of $850,000,000 and a gross indebtedness of $1,200,000,000. I fell short of the truth; the Minister of Finance puts the present figures at $900,000,000 and $1,365,000,000 respectively; and predicts for the end of the present fiscal year an increase in each case to $1,300,000,000 and $1,700,000,000 to $1,800,000,000. Who dare talk of prosperity when the expenditure exceeds three or four times our revenue?

You, Mr. Speaker, represent as I do a farming constituency; could you convince a farmer of Chambly-Verchères that a man is more prosperous when he borrows money than otherwise. Will you get a serious man to believe all the stuff that is meted out in newspapers such as " La Presse " and " La Patrie " of Montreal, papers paid by the Government to deceive the people? Do you think the electors are not better informed? At any rate those in my constituency know better and I take care that they be informed as to what is being done at Ottawa. With another year of war—I fear that unfortunately, it may last longer than we wish —what will our debt amount to? The people have a right to know the whole truth. I have no hesitation to state, knowing that I am stating to the House and to my electors what is true, that after the war the national debt will amount to not less than three billions of dollars. Are the munitions of war included in the figures given out by the Minister of Finance last week? Shall we not have to settle with the Imperial Government after the war? If I am rightly informed, there is an agreement whereby the Canadian Government will reimburse to the Imperial authorities for the upkeep of the Canadian soldiers an amount equivalent to six shillings per unit per day. In that case, how many millions shall we have to hand over to the Imperial Government after the war? To this expenditure, which will fill the people with dismay, add the cost of expropriating the railways for, according to the report of the commissioners tabled a few days ago, they are mostly all bankrupt and sooner or later the Government will have to take them over. No small sum to add to our Budget. It were better for the Government to rent the roads at one dollar a year for a period of twenty years or more and put at the head a capable manager like Shaughnessy and run the roads at reasonable rates. In any case, I do not blame

the Government for taking steps to take over our railways as they will be an asset on account of the great development which is bound to come to the country after the war.

My hon. friend from Châteauguay (Mr. Morris) had a fling at me, when he made his little speech to the House, last week. He referred to a meeting I adressed at St. Rémi. The hon. member from Châteauguay would not say that it was held behind closed doors. However, Mr. Speaker, I do admit that I held a public meeting at St. Rémi, that Armand Lavergne and Tancrède Marcil were among the speakers, that the meeting was a success, although it had not been advertised in the big Montreal papers. They refused to advertise the meeting and yet we had present from three to four thousand people, while my hon. friend from Châteauguay, with all the daily press behind him, and a minister of the Crown to help, could not gather more than some 150 people. He stated that we made nationalist addresses. For my part, what I said at St. Rémi and elsewhere in my constituency is what I say in this House. I declared to the meeting that it is my wish to keep the electors informed of what is going on right here, at Ottawa, and that it were better if they knew the politicians as I know them. I stated distinctly that my personal opinion was that it was a mistake on our part to send so many troops overseas when the great newspapers of London themselves stated that it was an act of folly on our part.

I repeated that everywhere. I feel like paying a visit to my hon. friend's constituency during the summer and I should appreciate it if he would discuss this subject with me before his electors. I wish to discuss nationalism with him. How dare he say that nationalists are bad company? Does he forget what an ardent nationalist he was in 1911 and how he begged for the support of the leaders of that party? Let me read what Tancrède Marcil published, in his paper about my hon. friend from Chateauguay on the 3rd of May, 1917: You will find this interesting reading, Mr. Speaker:

> Mr. Morris, member for Châteauguay saw fit, Tuesday evening, in the House of Commons, to launch an attack upon Mr. Roch Lanctôt, member for Laprairie, because he had invited Mr. Armand Lavergne and Mr. Tancrède Marcil to give addresses at his meeting.
>
> Mr. Morris took occasion to make an onslaught on the nationalists. A short time before the elections of 1911, that same man Morris prayed to me on bended knees to allow him to speak from the same platform as myself, one Sunday when I was addressing a meeting in his constituency.
>
> [Mr. Lanctot.]
>
> At that time he found the nationalist creed quite palatable and he struck at Great Britain and the Laurier navy with all his might. He was then paving the way for his candidature.
>
> And now that same man Morris, who is perfectly stupid and whose face reminds one of the tombstones he sells, is intent on attacking us.
>
> That same man Morris is in my estimation the prototype of the Irish immigrant who has been kicked so often and so well by the English in Ireland, that his brains are besmirched with something that should remain lower down, and who nevertheless is always croaking like a windmill.
>
> How humiliating for a constituency that bears the historic name of Châteauguay to be represented by a fanatic of the Morris type...
>
> (Signed) Tancrède Marcil.

Now, Mr. Speaker, in 1911, there was another nationalist going around with my hon. friend from Chateauguay. At a meeting at St. Urbain, the present Secretary of State (Mr. Patenaude) sat on the same platform; and in 1911, Mr. Patenaude attacked vigourously Great Britain and the Laurier navy. To day Mr. Morris thinks it scandalous for another Canadian to be seen in the company of these same nationalists. Do you think he is right, Mr. Speaker? Let me just state where I stand. I say I deem it a great honour to be able to take my place before the electors on the same platform as, for instance, Mr. Paul Emile Lamarche, who resigned his seat in the House to keep his word to his constituents who had elected him for five years only. He refused to be a party to the unlawful cohabitation that is witnessed in this House. Messrs. Lamarche, Marcil and Armand Lavergne took a logical stand.

I did not invite Armand Lavergne to come into my consituency. Here is how it all happened: During the month of February, 1916, I went to Quebec for some business connected with certain roads in my county. While there, Armand Lavergne came over to me and shook hands, "Lanctôt", said he, "I congratulate you on the stand you are taking in the House concerning the War."

"Why do you not invite me to address some meetings in your county? There is a minister of the Crown, I could show up."

"Show up a minister", said I; "I never witnessed the operation; it would be just the thing for me. My dear Lavergne," I added, "you often come into my county, you know the way, come when you please".

Then I saw the Secretary of State ramble in the vicinity of my constituency accompanied by a little lawyer from Montreal, by the name of Chassé, telling the people the fine deeds of the Government and belching out all kinds of insults against the Liberals;

so I said to myself: "I'll get Lavergne and Marcil and won't think it a crime."

Perhaps my hon. friend from Frontenac (Mr. Edwards) was referring to that incident when he stated this evening that I was opposed to our taking part in the war. I never was opposed, Mr. Speaker, to Canada's participation in the war; I was in favour of it, but provided it were kept within bounds. Is there a man of common sense who will contend that there is such an urgent need for recruits that we are justified in paying as high as $9,500 for a soldier? Do you believe, Mr. Speaker, that the people of Quebec do not know more about business? The hon. member for Frontenac complained of the poor hearing given in Montreal to the Postmaster-General (Mr. Blondin), who is a minister no more although he draws the salary of the position. How could it be otherwise when one remembers his pre-war utterances? After such statements as he made and the salary he receives, do you think it fair, Mr. Speaker, that he should get $9,500 when the common private in the trenches receives only $1.10 per day? And in Ontario the Orange Sentinal, the News and my hon. friend from Frontenac will dare say that Laurier is responsible for the upheaval against Blondin in Montreal? In bygone days the cry used to be: "It is Papineau's fault."

Mr. Blondin left Ottawa to breathe the air of liberty; the flag he meant to wave was full of bullet holes; he went to Le Monument National to patch up his flag; he got a poor reception. But whoever sins must expiate. However, the subject may now well be dismissed.

Mr. Speaker, there is one hon. gentleman in whom I take special interest but who is never in his seat, the Minister of Justice (Mr. Doherty). Some time ago I put a question on the Order paper asking how much the hon. gentleman had received since 1908, both his member's salary and his judge's pension. I well understand the uneasiness of the Government at the question and its shamefaced hesitation to reply. As I am not overbashful I shall reply to my own question. The hon. Minister of Justice has cost the country since 1908, exactly $101,666.60, made up as follows: Retiring allowance, $46,666.60; member's indemnity from 1908 to 1911, $7,500; member's indemnity for the last five years $12,500; minister's salary (five years) $35,000. And with all this, he dares be sick. Do you know when he takes ill? When the Irish hold meetings which he cares not to attend. He then takes a trip South for his health and stays away three months. I made a slight omission, Mr. Speaker. I left out the short session of 1914, namely, five days at $20 a day, which brings the total up to $101,766.60. And all for the welfare of the Empire.

We have another Empire saviour whose case affords some interest. He is really a retired judge. He gets $8,000 a year as a retiring allowance, though he never received such a salary while in office. He is Sir Charles Peers Davidson. He was appointed a commissioner to investigate the purchases of munitions, horses and boots on behalf of the Government. He rendered good judgments favourable to the Government. When he was appointed, the Conservative press said that he was giving his services for the Empire. Let us see his method of saving the Empire.

He worked from June 7 to November 30 inclusively, not quite six months; at any rate, he was employed 169 days. I took the information from the Auditor-General's report. I added the days beginning on June 7, which gives 177 days; he was paid for 169 days.

Mr. PROULX: He worked on Sundays.

Mr. LANCTOT: Apparently. I shall call the attention of the Dominion Alliance to his case. How could he have worshipped, when he worked every Sunday during six months? Another champion of the Empire at twenty-five dollars a day. It is readily seen that he does not work for nothing.

And they wish us to believe that we have a good economical Government !

Now, Mr. Speaker, I had a few more things to say that I expected would be of interest to my honourable friend from Châteauguay; as he is not in his seat, I shall cut my remarks short. A word about recruiting. I am quite aware that to-morrow the Ontario press, headed by the Orange Sentinel and the News, will publish that the member for Laprairie has made an attack against the Empire. I deny it. The member for Laprairie is just as devoted to the Empire as those who vilify and calumniate the member for Laprairie. For many months past we are told in the press that recruiting is at a standstill throughout the country; that immense sums are spent for the sake of a few recruits enlisted here and there. A host of recruiting agents are employed. The same thing takes place in the province of Quebec; lieutenant-colonels, majors, captains and others that I forget, not being versed in military matters, are

making vain efforts. On this point, I have a final suggestion to make to the Government: If you wish to have a battalion to go to the front under Lieutenant-Colonel Blondin, it is all ready. Just gather together the recruiting agents, for whom there is no further utility and as an appreciation of their work send them overseas. There is Mr. Blondin's opportunity to satisfy his desire of going to battle.

I wish to express my thanks to the House for their kind attention, especially at such a late hour of the night.

On the motion of Mr. Morrison, the debate was adjourned.

THE HIGH COMMISSIONERSHIP.

Hon. GEORGE GRAHAM: Will the Government make any statement regarding the cable despatch signed by Windermere in to-night's papers stating that the Hon. Robert Rogers is likely to return to England to assume the High Commissionership?

Hon. MARTIN BURRELL: I know nothing of the cable and I have nothing to say on the matter.

On the motion of Hon. Mr. Burrell, the House adjourned at 12.05 a.m. Wednesday.

Wednesday, May 9, 1917.

The House met at Three o'clock, the Speaker in the Chair.

QUESTIONS.

(Questions answered orally are indicated by an asterisk.)

WET CANTEENS AT CAMPS.

*Mr. LEMIEUX:

1. Has the Government received a petition signed by 60,000 wives and mothers of Canada, belonging to the Women's Christian Temperance Union, protesting against the wet canteen being introduced at the camps?
2. If so, what action has been taken by the Government as regards same?

Sir GEORGE FOSTER: A large number of petitions have been received, I think, by the House and some by the Government, protesting against the wet canteen being introduced at the camps in Canada, to which it would seem this question refers. Action was taken by the Government long ago in regard to the wet canteen in Canada, and there is nothing in this question to lead one to suppose that it refers to camps other than those in this country.

[Mr. Lanctot.]

Mr. LEMIEUX: With your leave, Mr. Speaker, might I ask my hon. friend to supplement his answer. He says that action has been taken by the Government in regard to the camps in Canada. What action is being taken with regard to the camps overseas?

Sir GEORGE FOSTER: I did not take it that the question referred to camps overseas, but if my hon. friend would put his question in another form I should be glad to answer it.

DIRECTOR OF RECRUITING AT FOLKESTONE.

* Mr. DEVLIN:

1. Is there a Director of Recruiting at Folkestone, England?
2. If so, when was he appointed and what amounts have been paid to him for salaries to staff and office expenditure since his appoint-
3. How many recruits were obtained for the Canadian forces through the said Director of Recruiting since his appointment?

Sir EDWARD KEMP:

1. No.

2 and 3. Answered by No. 1.

Mr. DEVLIN: With the leave of the House I desire to ask the Minister of Militia (Sir Edward Kemp) if he has thoroughly understood the question, because the answer is misleading. I do not say that the minister intended to give a misleading answer, but that is the effect of it. The question is as to the Director of Recruiting at Folkestone, England. The minister has already laid on the Table a return which shows that there was a Director of Recruiting at Folkestone, and that certain expenditure had been made up to a certain time in 1915 on account of that office. Now he informs the House that no recruits were obtained and nothing was paid. Col. Reid was the recruiting officer.

Sir EDWARD KEMP: I am not conversant with the circumstances to which my hon. friend refers. We cabled his question to Great Britain and I have given him the reply we received. I will make further inquiry on the lines indicated by the hon. gentleman's remarks, and as soon as I get the information I will impart it to him.

OSCAR GRAVEL.

Mr. BOURASSA:

1. Has Oscar Gravel of the City of Levis acted as recruiting officer in the active militia of Canada?
2. If so, what is his rank?
3. How many recruits has he obtained?
4. How long has he acted as recruiting officer?

5. What sums have been paid him for travelling expenses and for other expenses?

6. Has his wife had separation allowance?

7. If so, how much?

8. Has the said Oscar Gravel gone to the front?

9. If not, why?

Sir EDWARD KEMP:

1. No.

2, 3, 4, 5, 6, 7, 8 and 9. Answered by No. 1.

LT.-COLONEL DR. F. W. MARLOW.

* Mr. MURPHY:

1. Has the attention of the Government been drawn to an alleged interview with Lieutenant-Colonel (Dr.) F. W. Marlow, published in the Toronto World on Wednesday, the 2nd instant, as follows:—

With reference to the articles emanating from Ottawa and appearing in the press on Saturday last, it may be said that there does not appear to have been any adequate reason why the parliamentary committee on returned soldiers should have been troubled with my letter of April 11, on the subject of an overseas appointment. It was directed to the officer in charge of administration at Toronto, and I presume a copy of it was forwarded to Ottawa, though not intended for public use.

Appointment Indefinite.

The reason for the letter was that in spite of reports from Ottawa that I was to go overseas to fill an important position in the Canadian Medical Service, I had been informed that no definite appointment could be given me before proceeding there, and that I might be given rank in the Canadian Expeditionary Force which, if accepted, would place me junior to a considerable number of medical officers who have entered the service since the war began, in spite of seventeen years of service in the Army Medical Corps and my two years of administrative work in the Toronto district.

It is unusual for medical officers proceeding overseas apart from organized medical units to be granted definite appointments before arrival there, but for nearly two years the vast majority of such as have gone over were newly appointed in the service and have gone over as reinforcements and with rank not higher than that of captain. On the other hand, in a few cases medical practitioners with little or no military experience have received definite appointments and high rank before going over. These also would rank senior to me, as two years' service on the staff at Toronto carried no standing in the Expeditionary Force towards the maintaining of which all the efforts of the staff were directed.

Considering such circumstances, and in view of my connection with the general problems of the medical service in Canada and also because of many recent events, particularly in connection with the problem of returned soldiers, I felt it my duty to defer accepting any overseas appointment until such time as the committee on returned soldiers reported to Parliament and likely discussions of the Medical Board were concluded, and especially as the appointment offered to me was of such indefinite and obscure character that its nature could not be revealed to me.

Statements to this effect were contained in my letter and an opportunity was sought for discussing with the proper authorities the matter of an overseas appointment, but as yet such has not been granted.

Letter Made Public.

There was, so far as I can judge, nothing in the letter intimating that I had any expectation of being recalled by the Parliamentary Committee. For some reason, however, my letter was referred to them and consequently made public, with the result that the first and only reply to date came in the form of the newspaper article mentioned above, and also a letter from the chairman of the committee. Information through such channels was quite unexpected.

Having resumed my professional duties and as recent events are not likely to encourage me to accept any position at the hands of those responsible for my present relation to the service without a very careful investigation of the opportunities such position would afford for rendering useful service, I feel it my duty to "carry on" as at present and await further developments.

Meantime I shall watch with great interest the establishment of an effective plan for dealing with returned soldiers and will hope for the early inauguration of a united medical service and the emancipation of the same and the medical profession of Canada from the bondage placed upon them by laymen and politicians who deceive themselves in thinking they can get along without the doctors in dealing with medical problems or by relegating them, if called in, to a subordinate position which will not detract from the loftiness of their own altitude, in respect to matters requiring much technical knowledge, which they have never endeavoured to possess.

2. Was Lieutenant-Colonel Marlow given an appointment in the Canadian Medical Service overseas?

3. If so, what was the date thereof, and what were to be Dr. Marlow's rank and duties?

4. In the above interview, what are the names and rank of the medical practitioners referred to in the following sentence:—"On the other hand, in a few cases medical practitioners with little or no military experience have received definite appointments and high rank before going over"?

Sir EDWARD KEMP:

1. This is the first time that attention has been drawn to the alleged interview.

2. Yes. Lieut.-Col. Marlow was offered an appointment as lieutenant-colonel in the Army Medical Corps of the C. E. F. overseas, and provision was made for him to sail.

3. March 27, 1917. Dr. Marlow's rank was to be lieut.-colonel. His duties were to be allotted by the overseas military authorities on arrival, with due regard to his rank and qualifications and to the military exigencies.

4. Hospital and medical units raised in Canada for the C. E. F. are provided with a specified establishment. Officers appointed to these units perform the duties of their appointment. Other officers not appointed to a specified unit, or to the staff, are detailed to the general list and allotted by the overseas authorities to duty in accordance

with their special qualifications and to the best advantage of the service.

EXPERIMENTAL FARM POTATOES.

Mr. McKENZIE:

1. Are potatoes for seed or other purposes sold at the Experimental Farm, Ottawa?
2. If so, at what price per bushel?

Mr. BURRELL:

1. Yes, a limited quantity are being sold for seed.
2. Three dollars per bushel.

HOSPITAL ON PARLIAMENT HILL.

*Mr. MURPHY:

1. Has a hospital been established on Parliament Hill in connection with the Lyall contract for the reconstruction of the Parliament Buildings?
2. If so, who have been, and who are now, the attending physicians?
3. What is their remuneration, and how much, if any, have they been paid to date?
4. Is the amount that will be expended in connection with the said hospital to form part of the cost of the new Parliament Buildings?
5. If not, how is the expenditure to be borne or provided for?
6. Are there any patients or nurses in the said hospital at present?
7. If so, how many?

Sir EDWARD KEMP:

1. An emergency field hospital has been established on Parliament Hill, a portion of one of the temporary sheds having been set aside for that purpose.

2 and 3. M. A. Renaud, day duty from June 10 to September 30, 1916, $100 per month; A. Lemay, night duty from June 21 to September 30, 1916, $125 per month; Dr. R. V. Connors, day duty from October 1 to December 30, 1916, $100 per month; E. Couture, night duty from October 1 to December 30, 1916, $125 per month. The total amount expended for the services of the foregoing, as set forth, amounts to $1,200.99. Since December 30, 1916, to date the emergency hospital has been closed.

4 and 5. Yes.

6 and 7. No; no nurses have ever been employed there.

CAMPBELLTON-GASPE STEAMSHIP SERVICE.

Mr. MARCIL:

1. What steamship service was given last year between Campbellton, N.B., and Gaspe, Quebec?
2. What was the name and tonnage of the steamer, and by whom was it owned?
3. When was the service inaugurated, and how many trips were made?
4. What was the amount of subsidy, if any, paid per trip?
5. Will any service be given this year?
6. If so, by what boat, and what amount of subsidy, if any, will be paid?

[Sir Edward Kemp.]

Sir GEORGE FOSTER:

1. A regular semi-weekly service between Campbellton and Paspebiac, calling each way at Dalhousie and other ports, one trip each week from Paspebiac to be extended to Gaspe Basin, calling at other ports.

2. The steamer "Elaine," of 272 gross tons, 156 net tons. Owned by Henry M. Evans, of the city of Halifax.

3. The service was begun on the 5th August. They made 26 round trips.

4. $312.50 per trip; a total of $8,125.

5. On application from the contractor a renewal contract similar in all respects to the contract of last year has been sent to the contractor for signature, but has not yet been returned.

6. The steamer "Elaine" is specified in the proposed contract, and the same subsidy, viz., $15,000 per annum, will be paid, or such amount as may be earned.

MR. HUGH HOBBS.

Mr. TURRIFF:

1. Is the Government aware as to whether or not Mr. Hugh Hobbs, of Ottawa, is a candidate for the presidency of the Ottawa Conservative Association?
2. Is Mr. Hobbs employed in the assigned pay branch of the Militia Department?

Sir EDWARD KEMP:

1. The Department of Militia has no knowledge of this.
2. Yes.

MR. L. MATTHEWS.

Mr. TURRIFF:

1. Is the Government aware as to whether or not Mr. L. Matthews, of Ottawa, is a candidate for the secretaryship of the Conservative association?
2. Is Mr. Matthews employed in the assigned pay branch of the Militia Department?

Sir EDWARD KEMP:

1. The Department of Militia has no knowledge of this.
2. Yes.

CROSS POINT WHARF.

Mr. MARCIL:

1. How much timber and lumber was purchased since 1912, from the Chaleurs Bay Mills for the Cross Point wharf, and what prices were paid?
2. Were these purchases made after tenders had been called?
3. If so, who were the tenderers, and what was the amount of each tender?

Sir EDWARD KEMP:

1. 1912-13, 13,264 feet at $16, $212.22; 1913-14, 26,217 feet at $17.50, $458.80; 1914-15, 37,196 feet at $18.50, $688.12; 1915-16, nil;

1916-17, 11,863 feet at $20, $237.26; total, $1,596.40.

2. No.

3. Answered by No. 2.

UNOPPOSED MOTION FOR PAPERS.

Mr. LEMIEUX:

For a copy of all papers, petitions, telegrams and all other documents sent to the Government urging upon them the necessity of abolishing the wet canteen system in the camps overseas.

QUESTIONS PASSED AS ORDERS FOR RETURNS.

Mr. TOBIN:

1. How many commissions have been appointed by the present Government since the last general election?

2. How many have made reports?

3. What is the total cost of said commissions?

Mr. SINCLAIR:

1. How many permanent civil servants or officials were in the employ of the Department of Justice on the 10th day of October, 1911, and how many on the 31st of March, 1917?

2. How many temporary civil servants and employees of all kinds were in the employ of the said Department on the 10th day of October, 1911, and how many on the 31st of March, 1917?

3. How many permanent civil servants or officials were employed by said department since the 1st of August, 1914?

4. How many temporary civil servants and employees were employed by said Department since August 1, 1914?

5. What was the gross amount paid by said department for salaries and expenses to both permanent and temporary civil servants and employees for the fiscal year ending March 31, 1911?

6. What was the gross amount paid by said Department for salaries and expenses of all permanent and temporary civil servants and employees for the fiscal year ending March 31, 1917?

7. How many civil servants were appointed by said department since October 10, 1911, under the provisions of Section 21 of the Civil Service Act?

Mr. SINCLAIR:

1. How many permanent civil servants or officials were in the employ of the Department of External Affairs on the 10th day of October, 1911, and how many on the 31st of March, 1917?

2. How many temporary civil servants and employees of all kinds were in the employ of the said department on the 10th day of October, 1911, and how many on the 31st of March, 1917?

3. How many permanent civil servants or officials were appointed by said department since the 1st of August, 1914?

4. How many temporary civil servants and employees were employed by said department since August 1, 1914?

5. What was the gross amount paid by said department for salaries and expenses to both permanent and temporary civil servants and employees for the fiscal year ending March 31, 1911?

TRANSCONTINENTAL RAILWAY.

REMOVAL OF RAILS FOR USE IN FRANCE.

Sir WILFRID LAURIER: By your leave, Mr. Speaker, may I inquire from the Government if there is any truth in the report in the press of to-day that the Government are removing the rails from the Transcontinental railway beyond Edmonton to send them to France?

Mr. MEIGHEN: In the absence of the Acting Minister of Railways (Mr. Reid), I may say that some time ago, at the request of the English Government, some 300 miles of rails were sent over, those rails having been taken from the sidings of the Transcontinental, where they could best be spared according to the report of the Railway Commission. Subsequently, a request for another 300 miles of rails reached us. On the recommendation of the same officials these are being taken, I believe, from the Grand Trunk Pacific beyond Edmonton.

Sir WILFRID LAURIER: I presume there is an Order in Council authorizing this proceeding; will it be brought down?

Mr. MEIGHEN: I have no recollection of an Order in Council, but if there is one it will be brought down.

Sir WILFRID LAURIER: Are we left to suppose that this thing is done without authority either of Parliament or of the Government?

Mr. MEIGHEN: Not without the authority of the Government, but I am not sure that there is a formal Order in Council.

Sir WILFRID LAURIER: I presume that it could not be done without the authority of the Government at least, and there must be an Order in Council.

Mr. MEIGHEN: If there is one, it will be brought down.

TECHNICAL EDUCATION.

Hon. RODOLPHE LEMIEUX (Rouville) moved:

That, in the opinion of this House, action should be taken by the Government at the earliest opportunity with a view to give effect to the recommendation of the Commission on Technical Education.

He said: Last session I brought forward a similar motion, my object being to obtain from the Government a statement of its policy with regard to this very important question. I failed in my effort then, at least partly. But, as the war draws to an end—I hope—it is of the utmost urgency that the Government should now make a decision as regards the report which was placed in their hands by the commission appointed a few years ago to investigate this subject of technical education. I shall not dwell at length to-day upon this subject, because it has been pretty well exhausted in the many debates in this House in former sessions. Every one is seized of the need of a forward movement in this matter. The urgency of this question, its paramount importance, has been recognized by older countries. And, if it is urgent for older countries, it is still more urgent for a young country like Canada. Although very important strides have been made by Great Britain, France, Holland, and even by Japan, of late years, yet we must admit that it is to Germany we look as a model in this movement. A few months ago Lord Haldane spoke in England on this subject—and we know that Lord Haldane knows more about Germany than any of us in this House. He spent many years in German universities, and is a well-known authority on German education system generally. He said:

> I want to sound a warning of what is in store for us, I am more afraid of an engine for conquest in peace time which the Germans were busy preparing before the war, than I am of the 42-centimetre guns. This engine is educational. The most modern form of continuation school is extending itself over a large part of Germany, and it is planned to extend it over the whole Empire. It is a work school for imparting trade skill and general knowledge, rather than a mere book school, and it behooves us to be prepared for the shock of this competition which is coming after the war.
>
> Germany is training the youth of the land in special skilled trades, to outdistance competitors throughout the world.

Mr. Speaker, I say again, we must admit that Germany has led the world as regards technical education during the last half century. However, in England, and especially in Scotland, scientists and educationists have called the attention of the public to the necessity of a more perfected system of technical education. May I be permitted to quote the opinion of a famous scientist, engineer, builder and educator? I refer to J. Scott Russell who, as far back as 1869, used the following words which may apply to the conditions of to-day just as much as they applied to the conditions of England and Great Britain generally fifty or sixty years ago:

In every country—

Said Mr. Russell,

> —where technical education has taken root and had time to bear fruit I also find unquestionable proofs of the rapidity with which increased intelligence and enlarged knowledge bring increase in employment and remuneration. From my personal experience I may say that within the last twenty-five years I have seen large branches of commercial trade leave our country and plant themselves in another because the workers of the one were educated and those of the other uneducated. And I have watched nations rising into importance—

No doubt he was referring to Germany.

> —and power by education and by order, organization, and efficiency, which education bestows, and other nations lagging behind and losing their place by reason of their unwillingness to educate either the higher or lower classes of their people.

Knowledge and mental discipline alone do not constitute education. To be practical and useful to all those who must earn their livelihood, education must also afford physical dexterity with special reference to the industrial pursuits of life. That is, in a word, the object of manual training and, in the highest sense, of technical education. It contributes to the development of the country, to its increased wealth and to the perfection of its citizens. There is also, in regard to this question of technical education a moral aspect which must not be lost sight of and, in this respect, I am pleased to see before me my hon. friend the Minister of Justice (Mr. Doherty) because I am sure that the statistics which are at his disposal in the department over which he presides, will enable him to corroborate what I will state here. If one will consult the labour exchanges and the labour bureaus he will learn that the unemployed are generally the unskilled labourers. In that connection let me recall that phrase of Carlyle's, "that for a man to die ignorant who has the capacity for knowledge is a tragedy." In modern society all facilities should be given to the poor man to get his manual training. I have said that generally amongst the unemployed are to be found the unskilled labourers. I think I am right in stating that criminals are generally to be found amongst the unemployed and therefore the diminution of crime would be one of the beneficial results of a better technical education. According to the criminal statistics, I am told, one-third of all criminals are totally unedu-

cated and four-fifths are practically uneducated. From that point of view alone, it seems to me that it is the duty of the Government to see that manual training and technical education are spread as much as possible amongst the labourers so as to avoid such a condition of things as is revealed in the criminal statistics of this and other countries. From the national point of view, the protection of our political institutions demands that the industrial education of our youth be intensified so that they may carry with them our ideas of obedience to law and the principles of democratic government in the midst of the multitude of foreigners who crowd our factories and mines and perform much of our labour.

Coming back to the effect of technical education on the various industries of the country, let me say broadly that the manufacturer is aided by industrial education in the improvement of his product. His success depends on the demand for his goods at reasonable prices. His activities are regulated by the needs of his customers. They ask generally for durability of material, attractiveness of design, excellence of workmanship, and all these, Mr. Speaker, I contend, can be secured and secured only by the application of technical knowledge and manual training.

Let me say, en passant, that on various occasions the Manufacturers Association of Canada, a very powerful body, has passed resolutions asking the Governments, both Federal and Provincial, but especially the Federal Government, to implement what has been done in the various provinces in the way of improving the system of technical education.

Having spoken of the effect of technical knowledge upon manufacturing, let me say now what, in my judgment, would be the effect on the working classes. Aside from the moral and religious education which, of course, must be paramount, the technical education of the working classes has the inevitable result of elevating their condition. Industrial education dignifies labour. If labour has a noble end and purpose, if it employs intellect, if it abundantly rewards its servants, then it is worthy to be crowned. The perfection of our manufacturing, the facilitating of commerce, the unearthing of mineral wealth, the thorough exploitation of farms, the dissemination of practical knowldege, are the ends which are being served by technical education. Whilst the various provinces have of late years been responsive to the demands made by the Manufacturers Association and by labour generally, a great deal remains to be done. I must pay homage to the great province of Ontario for the remarkable progress it has made in technical education. I am told by my friends who represent that province, that the Technical Institute of Toronto is second to none; and I know, as a matter of fact, that many years ago Nova Scotia, that little province by the sea —little in size but great by the men it has sent to Parliament and has given to Canada—has also been a pioneer in technical education. When my late colleague, the Hon. Mr. Fielding, was Prime Minister of Nova Scotia, he, by the subsidizing of a Technical Institute, gave to the progress of that province, which is so rich in mineral deposits and in coal mines especially, an impetus which will never be forgotten; and he thereby incidentally gave to the country a corps of mining engineers second to none in America.

Having spoken of Ontario and Nova Scotia and knowing something of what is being done in the Western Provinces, I can say with pride that in the province of Quebec to-day, substantial progress is being made in that direction. It is not a party question with us; the two parties, and I am pleased to say the two races and all creeds in the province of Quebec, have united in support of a splendid system of technical education. We have the Montreal Technical School, the Quebec Technical School, the Beauceville Technical School, and the Shawinigan Falls Technical School and others. We have in those schools many hundreds of students, and it is remarkable that since the beginning of the war, where in the various shell manufacturing establishments experts and instructors have been required, the men who came out of the Montreal Technical School have taken the first places. Giving my own personal experience, let me say that a year ago I met, in the county of Drummond, a young man, the son of a well-to-do farmer of St. Germain de Grantham. He was introduced to me after a religious service on Sunday by the father, who said: "My lad has just received his diploma from the Technical School in Montreal, and I wonder what I will do with him now." I said: "You have many opportunities open for him at the present time because in every shell manufactory you can find employment for your boy." He went to Montreal and got his son into the shell manufactory of Lymburner and Co. Five or six months

afterwards I received a visit from the young man, and I asked him if he was satisfied with his position and he answered that he was. I asked him how much he earned a day, and he said he earned $8 per day. Because of his technical knowledge he had become instructor to the army of shell makers in that large munition plant. This is only to illustrate what immense good technical institutes in our provinces and elsewhere can accomplish.

I am quite aware that there is a standing objection against this Parliament dealing with the question of technical education. I know that under section 93 of the British North America Act education comes under exclusive provincial jurisdiction, and you are well aware, Mr. Speaker, that I generally stand for provincial rights; that I would not have this Parliament encroach on any of the subject matters which are within provincial jurisdiction. But we have a military college which, apart from purely military matters, is heavily subsidized by this Parliament. We grant subsidies, at least we did a few years ago, to exclusively provincial railway companies. We have a naval school at Halifax in your own province, Mr. Speaker. The Department of the Interior receives from this Parliament a subsidy to spread the knowledge of the metric system in Canada. This Parliament has granted to the various provinces, towards the improvement of Agriculture, the sum of, I think, $10,000,000; so that on the whole the Dominion Government could find a way, if there is a will, to co-operate with the provinces and make grants towards industrial training and technical education.

I do not know that I should not address myself more especially this afternoon to the right hon. Minister of Trade and Commerce rather than to the Minister of Labour. Perhaps the Minister of Trade and Commerce would be more responsive than my hon. friend the Minister of Labour was last year. However, I shall address myself to the Government generally and to the House.

Sir, this matter affects primarily trade and commerce. It affects our manufactured products as to their quality, quantity, and the means of transportation, and, on the whole it is a question of national concern. The Dominion Government could, therefore, without encroaching on provincial rights, co-operate with the provincial authorities and thereby help to give a better technical training to our yeomanry. I may be told

that the provinces have their own revenues which they may well apply to the cause of technical education. Well, the revenues of the provinces are derived virtually—I was going to say chiefly—from Dominion subsidies, nearly $12,000,000 being transferred each year from the Dominion exchequer to the provinces. I am pleased to say that the good old province of Quebec has apart from its share of subsidies, an excellent financial standing. As hon. gentlemen can see for themselves if they look at the figures in connection with the loans recently made by the Allied Governments on the New York market, the province of Quebec is financially in splendid shape. I noticed the other day with great pleasure and great pride that one of the loans launched by Great Britain and another one by France on the New York market were to have as collateral securities the bonds of the province of Quebec, which rank as high as the bonds of the Dominion Government, if not higher. Sir, the revenues of the provinces, being derived chiefly from subsidies, are, however, somewhat strained by provincial needs, and you cannot develop a system of technical education such as we require in order to deal effectively with the problems that will arise immediately after the conclusion of the war if the matter is left entirely to the provinces. From their comparatively slender sources of revenue, the provinces have to maintain public services of great importance, such as the administration of justice, the maintenance of civil rights, the care of the public domain, roads and bridges, the organization and supervision of municipal government, and the organization, administration and support of general education.

I have said that the provinces could not very well, from their slender revenues, organize as they should the system of technical education which we dream of for this country. Dr. James W. Robertson, of Ottawa, a good Scotchman—I have a weakness for Scotchmen—in an address delivered in the month of April, 1915, made the following statement with regard to the probable expenditure that the organization of a system of technical education in Canada on a safe basis would entail:

> In making a forecast of the probable cost of maintaining an adequate system of industrial training and technical education, the Commission considered the populations and need of 566 places in Canada, besides the rural population in the counties. These 566 places, ranging from great cities like Montreal and Toronto down to incorporated villages of over 500 people, contained a total population of

2,790,000. In these urban places the number of persons between 14 and 17 years of age who were not attending any day school is estimated at 150,000 young people. The population of Canada according to the last census, outside of the 566 places already indicated, amounted to 4,400,000, of whom 237,000 are young persons between the ages of 14 and 17 not attending any school. If the proportion of attendance of these 387,000 young people could be brought up to that of many areas in England, Scotland and Ireland, no less than 213,000 of them would be continuing their education at suitable classes after they had begun to earn their living.

From that statement made by Professor Robertson, it looks as if the cost of technical education, spread throughout all those localities in Canada, would be rather high if undertaken by the provinces. I quite grant that by section 93 of the British North America Act, education is assigned exclusively to the provinces and that there is actually no dividing line between technical education and what is generally called cultural education. But surely we can do something towards stimulating the interest of our people in this subject. If I mistake not, this is the broad conclusion reached by the commissioners who were appointed a few years ago to investigate this question.

Do not forget, Mr. Speaker—the figures given the other day by the Minister of Finance prove this—that Canada is, after all, during these years of war enjoying a fictitious prosperity. The time will soon come, I hope, when we shall revert to our ordinary vocations. The problem of the aftermath, it seems to me, is one which should arouse the attention of this Parliament and I do not see how we can better help our people to grasp that problem than by doing something practical for technical education and manual training in Canada.

Thousands of soldiers will soon return to Canada. Some of them, I hope, will settle on the land; but much as I would like to see our soldiers become sturdy farmers of the West and of the East, I have not much faith in soldiers as farmers, and I am here expressing a current opinion based on past experience. There were given in this House the other evening figures in regard to the returned soldiers after the South African war, and we know what was done with the land scripts which they received. At all events, thousands of soldiers will come back to Canada; they will find that the war industries have disappeared, let us hope, for ever and ever; they will also find the old industries of the country dislocated, and it will take all the grit and all the energy and all the statesmanship of our Governments to restore pre-war industrial conditions. It seems to me that the time is now ripe for Canada to look to the future and to do something to equip our returned soldiers for the battle of life.

Last year I quoted extensively from the report of a commission appointed by the Ontario Government and presided over by Sir John Willison, and one of the chief conclusions of that report was that Canada had to do two things in order to maintain its name, its traditions, and its credit after the war: first, to capture as much trade as possible, and second, to equip for the battle of bread winning our returned soldiers and our young men by giving them a first class technical knowledge. In Great Britain the Government is quite alive to this very important issue. The question came up in the British House of Commons in 1916 on a motion by Mr. Hewins. I have already quoted what was said in that discussion by such authorities as Sir Alfred Mond and Mr. Walter Runciman, who was then President of the Board of Trade, and I wish now to quote a few sentences from the speech of Mr. Lynch. He said:

In the course of time with the development of civilization, other nations have entered into the lists as competitors, and before this war, England was being hard pressed by Germany. The foundation of the prosperity which Germany enjoyed before the war was laid generations ago. I will take the turning point, that of the advent of Wilhelm Von Humboldt to the position of Director of Public Instruction, in the year 1809. He was not a politician in the ordinary sense, but a man of very wide learning and imbued with the scientific spirit. He was called by the Prussian nation to establish a system of education, and in two years he laid the foundation of a system of education which has been the real root and source of the prosperity which Germany subsequently enjoyed. I will here point out that those in this country who occupy a position corresponding to that held by Wilhelm Von Humboldt have never been chosen as great educationists. At the present moment it would be hard for any honourable member of this House to say who is our Minister of Education, for he is suspended, like Mohamet's coffin, between Heaven and, say, the earth. The man who held this position in Germany for two years exercised such a wide influence and power that the reverberations of his efforts are felt for a century afterwards, while some of our educationists, if they had been in power a hundred years, would not have left their reverberations for a succeeding two years. For that I blame the Government.

I have read very carefully the debate on the co-operation of the Allies in the war, and the minds of the British House of Commons declared that in order to capture the trade which before the war belonged to Germany,

4 p.m.

England would have to repeat the history of Germany in the matter of technical education.

We have discussed this question on many occasions. In 1909, one of the ablest speeches I ever heard was delivered on that very question by my hon. friend the member for South Wellington (Mr. Guthrie), whom I am pleased to see back in his seat after having been absent because of illness. The hon. member on that occasion delivered a most elaborate address, which had quite an effect on the House and on the country. Several hon. members took part in the debate, amongst others the right hon. the Prime Minister.

The resolution introduced by my hon. friend for South Wellington read:

> That in the opinion of this House it is advisable that a commission of inquiry be forthwith appointed to investigate the needs of Canada in respect of technical education, and to report on ways and means by which these needs may be best met.

The Minister of Labour at that time was the Hon. W. L. Mackenzie King, whose knowledge on questions of this kind is admitted by all. He also delivered a very important speech, and as a result of that debate, in the session of 1910 an appropriation was made on May 3 for the expenses of the inquiry. An Order in Council was passed, and the commissioners were appointed. Correspondence also took place between the Minister of Labour and the provincial governments, which will be found in the report. The work of the commission was very exhaustive, and is contained in a voluminous report of four volumes which deals with the question in a most exhaustive way. The commission was presided over by Professor Robertson, who is a well known authority not only in Canada but throughout the world. The commission visited 100 places in Canada, held 175 sessions, heard evidence from 1,470 witnesses, men and women, some of whom occupied foremost positions in industry, agriculture, house-keeping, and technical education generally. The commissioners also went beyond Canada and pursued their investigations in England, Scotland, Ireland, Denmark, France, Germany, Switzerland and the United States. They were given the amplest opportunity for investigation; everywhere, as they say in their report, they met with courtesy and enthusiasm. They found an increased interest in technical education. The countries which had taken the deepest interest in the matter were striving to do better still; in a word, the most advanced were the least satisfied. It is useless for me to go into the details of that report, which is in the possession of every hon. member, but it may be well that I should remind the House that the published conclusions of the commission have not yet been acted upon, and my object in rising was to ask the Government and my hon. friend the Minister of Labour what they intend to do in regard to those conclusions. When the question was under discussion in 1909 the opinion of the present Prime Minister, then leader of the Opposition, was expressed in no uncertain language. Brushing aside the objection that had been raised by some hon. members, that the Parliament of Canada could not investigate matters of education, or appropriate funds for that purpose, because, forsooth, it was a question within the jurisdiction of the provinces, he said:—

> If the position of the Minister of Labour (Mr. King) be correct the Government has been violating the constitution of Canada for 35 or 40 years in the establishment of the Military School in Kingston. But I have not heard of any province raising any objection. But the hon. minister need not stop at the Kingston military school, let him look at the estimates of this year or any year, and he will find over and over again, where the Government has spent money by the million on matters absolutely within the jurisdiction of the provincial legislatures. Does not my hon. friend know that his own estimates which he has just brought down, contain dozens of items for aid to undertakings purely local and absolutely within the jurisdiction of the local legislatures? Local works and undertakings, except in so far as they connect one province with another or some province with a country outside Canada, are purely and absolutely within provincial control, yet you can take the estimates and on page after page you will find money given by the $5,000, $10,000 and $100,000 to undertakings of that kind. The Parliament of Canada has the right to vote money for any purpose that it may deem proper. It has voted money for purposes absolutely outside Canada. For example, to aid the sufferers at San Francisco, to industrial exhibitions without our own country, subsides to provincial railways which are purely works of a local character, and under provincial jurisdiction, aid to art schools, special lectures upon the advantages of the metric system, a grant to McGill university in aid of work of this kind, schools for the examinations of masters and mates, to keep up the school at Kingston and for the establishment of experimental farms.

He concluded as follows:—

> I have thought it desirable to place this aspect of the question before the House. I say to the hon. member for South Wellington (Mr. Guthrie) that I am entirely in sympathy with the object he has in view, and I trust action will be taken along the line he has suggested, if no other action can be taken, but so far as I am concerned I would greatly and infinitely prefer that a more definite and practical and speedy action should be taken than that which has been suggested in this resolution itself.

So the Minister of Labour and the Minister of Trade and Commerce need have no scruples, because the Prime Minister, in the speech I have just quoted, practically gave him his fiat in 1909. To recapitulate. The resolution was introduced by my hon. friend for South Wellington, and the appropriation for the commission was voted at the following session in 1910. The commissioners were appointed, and visited nine countries. They heard 1,400 witnesses in Canada, and held hundreds of sessions both in this country and outside. They published a very voluminous report in four volumes, and in their conclusions asked this Government to co-operate with the provinces in this matter. Yet the report has been shelved. Nothing has been done. We are all looking forward to the cessation of hostilities; we expect this war to end soon, and our soldiers will then be returning by the hundreds of thousands; we know that it is our duty to equip these soldiers for the battle of life; we talk about capturing the trade of other countries, especially that of enemy nations. And yet, although all these facts are well known, the Government has done nothing. My hon. friend the Minister of Labour says that the report is in his department, and that he is awaiting instructions from the various provincial governments.

It seems to me this a most urgent question, and that the Government should, once for all, take action on this report which has cost so much money and labour—though not too much, in my opinion. The Government should declare that the spread of technical skill and knowledge will be subsidized by the Dominion in co-operation with the various provinces. At page 21 of the report of the commission appears the following:

The Underlying Principles.

The Commission is of the opinion that Industrial Training and Technical Education in order to be of greatest benefit to individuals, to industrial development, to localities, to the several provinces, and to the Dominion as a whole, should be organized and maintained in accordance with the following principles:—

1. It should be under provincial control and regulation.

2. It should receive financial support from individuals, from local authorities, from provincial governments, and from the Dominion.

3. Provision should be made for active participation in its control, management and direction by individuals in the locality who would represent industries as employers and employees, agriculture, women's occupations, particularly housekeeping, business, and organized education.

4. It should provide educational opportunities for those who have gone to work and also for those who are able to return and devote their time for some months or years, as the case may be, to a course or courses of instruction and training.

5. It should make provision to ensure, as far as practicable, equality of opportunity for all preparing for industrial, agricultural and housekeeping occupations, and for workers in such occupations.

6. It should be carried on in cordial co-operation with existing systems of education, and in such a way as to have the advantage of the use of existing buildings, equipment and teaching staff so far as these may be suitable and available.

Once more, in bringing this motion to the attention of the House, I sincerely hope that the Government will not fail to decide upon such a policy in this matter as will improve the opportunities open to our own people and will also help to settle some of the gravest problems which will arise after the war.

Last winter an address was delivered by Dr. H. E. Howe, to which was given the very apt title "The German Alarm Clock." In opening, the speaker said:

However alert we may be individually, it has required the efforts of the biggest alarm clock in history to arouse us collectively to the dangers which beset us, and to the methods by which we were being placed in a subordinate position.

As I said a moment ago, that which gave Germany its trade and industrial preponderance in the world was the technical knowledge which, for almost a century, has been given to young Germans. Dr. Howe proceeds:

Prior to the war, Germany was carefully, patiently and persistently conducting a successful commercial conquest of the world. Her agents were everywhere occupying positions of low as well as high degree according to the requirements of their particular task, learning the language of the country in which they worked, making themselves familiar with market and trade conditions, and reporting constantly to the great organizations at home, in order that no detail might be overlooked in giving them a firm hold upon world markets. I am informed that German concerns were even supplying the great bulk of chains, anchors and similar equipment to the maritime country of Great Britain. Through the co-operation which existed between the government, manufacturers, and banks, German salesmen were often able to make terms of credit quite impossible with a manufacturer not having such beneficent aid.

In another paragraph he said:

I hope this gives some idea of the condition of affairs when the war first broke out in August, 1914. As soon as the German fleet disappeared from the seas the various countries suddenly awakened as if by an alarm clock to the extent of their dependence upon German products. For the first time many people began to analyse the situation to learn the cause of Germany's strong position in many lines, and

I think all have come to the conclusion that the three principal causes at least are education, organization and scientific research.

I shall not quote any more. I think I have said enough to become myself the "alarm clock" of the Minister of Labour. I want him to give the House and the country the promise that he will take down from the shelf the report of this commission and apply himself during the coming holiday to finding a solution of this question by inviting—should there be any objection from that quarter—the premiers or the Ministers of Education of the several provinces, to confer with him, and, while co-operating with them, lead in this cause of technical education in Canada.

I hope I have not kept the House too long. But I sincerely believe that this is a most acute problem, that of giving to our young men, our returned soldiers, the arms and the weapons with which during the era of peace which will succeed the era of war, Canada, through them and by them, shall take its true place amongst the progressive nations of the world.

Hon. T. W. CROTHERS (Minister of Labour): Mr. Speaker, in almost identical words, my hon. friend from Rouville (Mr. Lemieux) has reminded us of the speech delivered in this House just a year ago, which will be found at page 2177 of last year's Hansard. My reply will be found at page 2187 of last year's Hansard. I do not propose to follow his example and take up an hour repeating what I said a year ago. I think our attitude was made fairly clear at that time and it has not materially changed since as far as I am aware. I do not know where my hon. friend got the idea that I was not very enthusiastically in favour of technical and industrial education. I do not yield to him for one moment in that respect. I realize the great advantages that would accrue from a more thorough system of technical education and industrial training than we have at the present time. I think that if my hon. friend's memory had been a little more reliable he would have had in his mind something of what I said last year. It will be found at page 2187. I am only going to read a sentence or two:

> So that it seems to me that the question before us is not whether technical education and industrial training are desirable—indeed, are of the highest national importance, and should be brought within the reach of every youth in the land—but rather how best can these advantages be placed before them. The Government is quite alive to the importance of practical as well as cultural education, and realizes that inestimable advantages would accrue to Canada had every youth an opportunity of acquiring technical education and training in the particular vocation chosen for his or her life work. Especially, I think, do we owe it to the mechanic, the artisan, and other wage earners, to provide them an opportunity to qualify themselves for larger earning power and to take a more prominent and influential place in the various activities in which our people are engaged.

That was my view on the question at that time and I have not changed it since. As my hon. friend has said, there are difficulties surrounding this question. He has told us that education, under our constitution, is exclusively assigned to the various provinces. He knows from what I said last year that when the report of the Commission on Technical Education and Industrial Training, to which he has referred, was printed and bound, it was forwarded to each of the provincial governments with a request for an expression of opinion concerning the suggestions made in that report. I think I am safe in saying that in the replies that we got there was only one provincial government in Canada that approved of the system set forth in the report. That was, if I remember aright, the province of Nova Scotia, as represented by the premier of that province. Now, I am not going into the particulars as to these objections because there they are set forth in Hansard and I do not think I would be warranted in taking up the time of the House for an hour in repeating what I said last year. An Association exists in Canada that has for its special object the encouragement of technical education and industrial training. It held a meeting in Toronto a year ago last October and this was part of a resolution passed by that association specially interested in the development of this question:

> It is necessary and expedient that financial assistance be rendered by the Dominion to the several provinces for the service of technical education, as soon as the Government is freed from the pressing problems of the present war.

The men specially interested in this question thought that no such application should be made to this Government until they had become freed from the responsibilities and expenditures of the present war. We are not free yet; the expenditures are larger than they were a year ago. A great deal has been, and is being, done by the various provinces, as my hon. friend has already stated, more perhaps by the three provinces of Ontario, Quebec, and Nova Scotia, than the others. I think that

last year my hon. friend from Winnipeg (Mr. Rogers) said that we were committed to the idea of rendering financial assistance in some way or other but not at that time. That is my position to-day. I sympathize as deeply as the hon. member for Rouville can sympathize with the idea of encouraging technical education and I realise the great advantage it would be to all classes in this country if we had a more extensive, a more thorough, system of technical education and industrial training, but I do not think this is the time to take it up. I do not think we would be warranted in doing so and I can only say now that I sympathize with the idea of extending and making more thorough the system of technical education and that we will be prepared to render assistance of some sort, in some way, when the proper time comes, but in our judgment we would not be warranted in making such a large expenditure as is recommended in this report while the war is on.

Mr. A. VERVILLE (Maisonneuve): Mr. Speaker, the hon. Minister of Labour (Mr. Crothers) has repeated to this House what he said last year. Of course, he does not go over all the letters that he had last year from the different provinces, stating approval or objection to the proposals. I admit that he is right in not doing so. I notice on the Order Paper to-day that there is a Bill to be introduced for good roads. I do not know how much it is proposed to devote to this object but I suppose it will be $10,000,000. We are at war at the present time and will be at war for a long time to come. From a financial standpoint, we are going to be at war for a great many years. If we wait until the finances of the country are in an absolutely settled condition before we grant a sum of money to each province for technical education, none of us will see it, because we will not live that long. There is a generation at present growing up who are absolutely in need of technical education. Nothing is so important to-day as technical education. We have to look to the future, and it is clear that we must have greater production from our men. We hear every day in the House of the number of producers who are giving their lives in the war, millions of men. If that is so, then we are justified in saying that we will need more production from the young boys who are now ready to receive technical education. In the past we have had to go across the water to get professors and men of technical knowledge. It is unnecessary to enter into details as to the need for technical education, because that is admitted by both sides. The present Prime Minister (Sir Robert Borden), when he was leader of the Opposition, acknowledged as one of the greatest lawyers in the country, said that this Parliament would be within its rights in granting aid to technical education. We are just as entitled to do that to-day when my right hon. friend is at the head of the Government. Furthermore, I do not know that there is anything in the constitution of the country which would prevent any Federal Government making grants to the provinces for such a purpose.

Without going into details of what happened in the House last year when the Good Roads Bill was under consideration, it was proven then that it would have been adopted by the House had the money been granted to the different provinces according to population. What is to prevent the Government following that plan in respect to technical education? The Minister of Labour says that according to some resolution which has been passed we should concern ourselves about technical education until we have settled our financial problems. But surely if there was a grant to each province according to its population, the association which has passed this resolution would surely be only to glad to see that it was put into operation.

The hon. member for Rouville (Mr. Lemieux) has spoken of different technical schools. I happen to know something about one because I am a member of the commission having charge of the Montreal school. The difficulty which that commission has in securing the funds necessary for the administration of the school going to the city and going to the provincial government to secure money, is far beyond the imagination of many of the members of this House. We have to gather money for the war from many different sources, we are doing that to-day, and we still have to gather money for technical education. As I have said before the recommendation of the Royal Commission was that $3,000,000 should be voted for the promotion of technical education. The Minister of Labour will never make me or any other man of common sense believe that if a sum less than this was granted a province would not accept it. Let the Government show their willingness to do something to assist technical education. If we are going to wait until

this Government or any other Government is in a position to settle all the financial affairs of the country, to put them on a solid footing, before dealing with technical education, we are going to make the greatest mistake of our lives in reference to the future of the country.

Mr. J. H. BURNHAM (Peterborough West): Mr. Speaker, the hon. gentleman who has just spoken summed up the whole matter in his reference to the fact that both sides of the House were of opinion that technical education was a matter of first importance, and something that must be dealt with as soon as possible. He overlooks one matter, however, to which I expected the Minister of Labour to refer, that the Prime Minister of this country (Sir Robert Borden) was the means of having appointed, since last session, a body of experts for the purpose of looking into this matter from a purely Canadian point of view. The report which we had laid upon the table of the House last year was very voluminous, very thorough, and enabled all those who took an interest in the subject to thoroughly inform themselves. This being the case, after a required period for digestion, it was agreed upon by everybody that if Canada desired to continue doing well and intended to do better, she must take further steps. But in scientific matters it is not possible to proceed by sudden fits and starts; it is necessary to consider these things thoroughly and carefully, and they can only be properly and adequately considered by those who are thoroughly qualified to consider them. That being the idea actuating the Prime Minister, and quite properly so as I am sure we all agree, he appointed a board presided over, I think, by Professor Mackenzie of Toronto University, to look into this very matter and to suggest what ought to be done, not only to look into it theoretically but also to give practical suggestions. There can be no question that an educated people is not only a better people mechanically considered, but intellectually and morally as well. If education is the basis of our advance and of the progress of civilization, why then it goes without saying that we should furnish for our people, especially for the great mass of our people, that intelligent and comprehensive understanding of their duties which alone makes success assured and life itself really worth living.

I do not like to hear such frequent references to the captures we are going to make; this capturing of trade and capturing of other people all the time is repellent to me. Let us do our duty in the premises. Let us make ourselves better men and our country a better country, and we will have succeeded to the best of our ability and in a way that will leave us open to no criticism.

Sir WILFRID LAURIER: Hear, hear.

Mr. WILLIAM THOBURN (North Lanark): Mr. Speaker, I regret that I did not hear my hon. friend from Rouville this afternoon. I should have liked to have heard the course he has suggested that Parliament should take in this matter. I do not wish to say anything in reference to technical education to embarrass the Government at this particular time, because the one burning question with which we have to deal is this terrible war. But since this question has come up this afternoon, I wish to say that it is one that has puzzled me many and many a time. I have felt the need of technical education very severely in connection with the business in which I am now engaged. Just when and where to apply it puzzles me a little. May I put my difficulty this way: has our present system of education been the means of depleting the farms of agricultural help, and the factories of its mechanics? I would say candidly that it has. I shall never forget a statement made to me by a judge shortly after he had been appointed to the bench. He said that one of the most difficult things he had to contend with was the necessity of dealing with lawyers brought before him for debt. Would that not lead you to believe that our present educational system is depleting our supply of all kinds of mechanics and is over-crowding the professions? I want to give you the experience of the county in which I live. I cannot say that more than 5 per cent of the young men who went through our high school ever went back to the farms or factories. Why was this the case? It is a problem that I cannot solve. I never could understand why a high school education should not better fit a man for work on the farm, and I know very well that a high school education would better fit him to go back to the factory. But they do not go back, and that is one of the reasons why I am puzzled to know just where technical education should be applied. Whether it could be imparted in our public schools or high schools. I do not know. At any rate, it has to be applied somewhere, because at present our educational system, although

it is said to be one of the finest in the world, is not supplying the farm and the factory with the help that they so much need.

Mr. D. D. McKENZIE (North Cape Breton): I have listened with interest to the speech delivered by the hon. gentleman who has just taken his seat (Mr. Thoburn). It is rather difficult to follow my hon. friend's reasoning. Followed in one direction, his argument suggests that we should have no education at all; that the man who is in absolutely raw condition is the best for the country's greater needs; that if a man has no education he will stay on the farm and work in the factory. Therefore, he should be given no education, in order that he may be kept in the factory or on the farm. I am sure that that is not what the hon. gentleman means; but that would be the substance of one line of his reasoning, because he suggests that if young people are given an education, they forsake occupations and activities which must necessarily be kept up.

As to my hon. friend's difficulty with regard to when this education should be given, all I can say is that I come from a country where we do give that education, not in its highest form, of course, but in a sort of primitive way. We have, it is true, a technical college in the province of Nova Scotia, where, during the past seven or eight years, the highest forms of technical education have been given, but the technical education that is of vast importance to the steel maker, coal miner and mining engineer is given in night schools. Professors of our colleges and academies are at the head of these night schools and are furnished with the necessary appliances and machinery by the use of which they give instruction in the making of engines, the production and application of electricity and the generating of power. In these schools we have trained an army of technical miners, technical steel makers, men who can handle and apply power, such as electricity; men who understand the proper production of power from coal. All the necessary work that is done in a coal mine and in connection with the production of iron and steel is taught in these schools. I assume that the same sort of thing is being done in the province from which my hon. friend comes. We should like to be carrying on this work on a larger scale, though we have, of course, taken an advanced step by establishing a technical college. This college is working in co-operation with other educational institutions. When a young man has taken two years in Dalhousie, for instance, he gets credit for them in the technical college, and after an additional two years in the technical college he may be graduated as a mechanical, electrical or civil engineer, according to the line that he may have followed. From this plan we have obtained very practical and very useful results. I think one of the reasons why young men leave the farm, or refuse to stay in the factory, is that they are kept at unproductive and what they consider to be uninteresting work. If they were able to secure a scientific knowledge of farming, of fisheries, of work in the factory, they would find these activities more congenial and more interesting than they find them now.

I submit to the Government, and particularly to the Minister of Labour, that it is not a sufficient answer to the suggestions of the member for Rouville (Mr. Lemieux) to say that last year and the year before the matter was before the House and the minister refused to do anything. It is not sufficient for the minister to look back to the years in which nothing was done and say: that is my record, and I am standing by it. That should not be a satisfactory answer if the Government as a whole are anxious for progress. Technical education is as much a war measure as anything else that is done in connection with the war. We cannot have too much technical knowledge of the elements entering into the various products and manufactures by the use of which we are assisting in carrying on the war. The making of shells, the proper production of power and of everything that enters into the manufacture of shells, guns and other war necessaries, can best be carried on by men who have technical education. This being the case, even under the War Measures Act, moneys could well be applied for the encouragement of technical education in Canada.

We are wasting millions of dollars worth of property in this country from year to year because of the lack of technical education and fine tastes as to what uses can be made of our raw materials. If there is in this House a lumberman or a man who has knowledge of lumbering in some parts of this province, he will know the horrible and awful waste that occurs in our forests by reason of the fact that proper technical knowledge is not brought to bear upon lumber. Any one who knows anything about the fisheries of this country and the crude way in which we handle fish knows that although we secure millions of tons of fish and own millions of dollars worth of

property connected with the fishing industry, we throw away a great deal, probably a third, of the values that can be produced from our fisheries because we really do not know how to handle fish and do not know how to deal with the by-products. Technical education along the line of teaching the people what are the by-products of fish, how to handle fish and how best to put it on the market, would make our fisheries ten times as valuable as they are to-day. I have been told that in Newfoundland, where for years they had copper mines, they are reviving them again, because it has been found that millions of dollars worth of copper were thrown away simply because the people there had not the proper appliances to deal with the copper products. Our coal mines and our steel works are in much the same condition; we are not equipped with the men nor the machinery to get the most out of these things. While we have in this country abundance of raw material, it is a sad fact that most of it goes out of the country practically in a raw state because we are not equipped for the proper handling of it, nor the handling of it in such a way as to give the maximum of employment and money to our own people. Since the war broke out we have heard a great deal about the handling of nickel in this country. It was brought out last year that our nickel leaves this country practically in its raw condition, because we have not the technical knowledge nor the machinery to put it into an advanced stage of development. As nickel is a metal that is largely used in connection with the war, is it not a duty that devolves upon the Government, and a matter that comes within the scope of technical education, to see that we are in a position to handle that valuable commodity in such a way as to keep its ownership and its production within our own lines and in the hands of our own people?

The subject of technical education is very inviting and it is one upon which a great deal can be said. As I have already said, it is not a good answer for the Government to say: We have been speaking about this matter already and we will continue to do nothing in regard to it. Even as a war measure, moneys of this country could not be better utilized than in educating our people to make the most of themselves and the most of the raw material that we have within our reach in this great country of ours.

[Mr. McKenzie.]

Mr. RICHARD BLAIN (Peel): I rise to express my approval of the question that is now before the House. This is a matter that has received the earnest consideration of more than one Government, and the conditions of the country now are such that it is calling for the help and sympathy of every class of people in Canada. My hon. friend (Mr. Lemieux) is to be complimented for bringing this question to the attention of the House and of the country, and for many years no question has come up for consideration that seems to receive such unanimous approval as the question that we are dealing with now.

It is sufficient answer, however for the Government to say that its whole effort is now connected with the war and problems that come up for consideration in connection with the war. We have noticed the progress and development of the manufacturing industries of this country and I am sure the people of Canada agree that we have made great strides in that regard. Had the manufacturing industries of Canada not been in such an advanced position, we would have been unable to cope with the great questions that have come up and it would have been absolutely impossible for our manufacturing establishments to take hold of the manufacturing of munitions and other articles required in the war. I recall when the question of manufacturing in Canada was a very heated one in the province of Ontario. A

5 p.m.

Government in power many years ago in that province allowed trees to be cut into logs in the province and then allowed them to be sent over to the United States to be cut into lumber. The question became a live issue in the Legislature in the province of Ontario, and later the Legislature agreed that such a policy was not in the best interest of the people of that province, and the result was that shipment of logs out of the country was prohibited and those handling them were required to cut the logs into lumber in the province in order to give employment to the people of Ontario. All that is along the line of progress in manufacturing, and I am pleased to say, looking over the House and having had some experience and listening to this question being discussed, that every hon. member is interested in this question, and I think almost every hon. member will agree with me and also with my hon. friend the Minister of Labour when he says that in his opinion and in the opinion of the Government, the war is of

such importance that this matter can be delayed a little longer. For my part, I approve the question; I believe it is worthy of our best consideration. It is a matter that has engaged the attention of the Legislatures of the different provinces throughout the country and it is one which should receive the consideration of this House and of the people of Canada and must be dealt with by this Government in the near future.

Mr. E. M. MACDONALD (Pictou): Mr. Speaker, the House might profitably discuss this question with great seriousness and care for some time with a view of having early action taken by the Government in regard to it. One of the problems which are continually engaging the attention of the press is the question of what Canada is going to do after the war, and a great many ideas have been put forward from a great many sources as to what will be the groundwork of the prosperity and advancement which we hope will come to Canada some day. Some hon. gentlemen tell us that immigration will come here, but immigration depends to a large extent on the question whether Canada is a cheap country to live in and whether we are able to offer to those who come from other lands such inducements in regard to satisfactory conditions of life as will enable them to come to this country with the feeling that they are able to do better here than elsewhere.

There is, entirely apart from immigration, a question that intimately concerns every citizen of Canada at this time, and that is whether we are doing our full duty with reference to our institutions so that we may prepare conditions in such a way that the young men who are growing up and who have not been able to go to the war may be fitted in the best possible manner to take their place as citizens of this country, and that those who have gone and fought and who have returned may be equipped in the best possible way for pursuing satisfactory avocations which will enable them to earn a living and be of some assistance in increasing the wealth of the country. We can eliminate from the consideration of this question the elaboration of agricultural conditions, and we must approach the consideration of what is best to do in order that the industrial life of Canada in the future may be prepared for and made certain.

There is only one way of meeting future conditions, and that is by preparing for the education of the young men who are growing up to-day, and giving them the best facilities for the development of whatever ability they possess. Are we doing our best in that respect in Canada? This Parliament, as the national body, is bound to assist in every possible way, and if we are not doing our whole duty then it is well that we and the people of this country should realize it. I think the motion of my hon. friend that the time has come when we should implement the recommendations that were made by the commission three or four years ago is a very proper one, and should receive the approval of this House. This is not a matter on which the parties should divide. The Government should not hesitate for one moment in accepting the principles of my hon. friend's resolution. Either technical education is a paramount necessity, or else it is of lesser importance than other things. It may be that it is more important to build the Quebec and Saguenay railway and to make arrangements with my hon. friend for Charlevoix (Sir Rodolphe Forget) by which $8,000,000 is paid out of the treasury of this country, than to do anything for technical education, and if that is the view of the Government it is just as well that the people of this country should realize it. It may be that it is more important to this country to spend over $14,000,000, as the Government has done in the last four years on the Hudson Bay railway, in regard to which we have the report of the commissioners who investigated the general railway situation in this country, and to keep on spending $4,000,000 or $5,000,000 every year on that road, which when completed will under existing conditions only add to the seriousness of the problem that confronts the whole people of Canada, than to provide money for the development of technical education. For myself, I do not think so. Last year we spent on capital and ordinary expenditures $15,000,000 on public works in this country, and about $7,000,000 of that was spent under the Public Works Department. It is true that my hon. friend the Minister of Trade and Commerce comes to us and talks of thrift and cannyness and care in our personal expenditure, and that the Minister of Finance devotes a large portion of his time to giving homilies to the people of this country on thrift. I am not dealing particularly with that, except to point out the moral that if this country can afford to spend $7,000,000 on public works it can surely afford to

spend something on preparing for the technical education of the youth and men of this country. We have seen that it is not a question of money with the Government. They have no trouble at all in raising money for certain purposes. They have placed upon the Order Paper a Highways Bill with all the expenditures it involves, and if the Bill is to be on the same lines as the one submitted to the House some years ago the Government surely need conjure up no difficulties about the expense of a technical educational scheme. If technical education is as important as hon. gentlemen concede it to be, surely it is possible for the Government to save money in one of the two avenues I have indicated to assist the provinces in the development of technical education. Last year it was objected that there would be difficulty in the way of this Government giving any aid to the provinces for technical education, because there might be a conflict of jurisdiction. It does seem to me that that argument is most far-fetched. The Minister of Agriculture some years ago brought in a Bill for the development of agricultural instruction schools in this country. A sum of $10,000,000 was set aside, and a certain proportion of that has been granted to the various provincial agricultural institutions in Canada every year. Each province has its agricultural schools and systems of education, but the Minister of Agriculture has never found the constitution going to pieces when the Federal funds were thus diverted. If that is so, upon what ground can it be urged that a similar arrangement with the provincial governments with regard to technical education would give rise to a constitutional difficulty? My hon. friend admits that technical education is a splendid thing; he has no doubt at all about its value, but for the time being he cannot do anything on account of the war. Now, I have given one or two instances where the Government notwithstanding the war have found time to devote their attention and give assistance to projects not so meritorious as the cause of technical education. It seems to me, therefore, that their time might well be employed in working out a scheme of assistance for technical education similar to the plan which the Minister of Agriculture has adopted with regard to agricultural instruction, and which he has been able to carry out without prejudice to the performance of his regular duties, and without detriment to the interests of the country.

[Mr. Macdonald.]

We hear a great deal about the necessity for increased production in this country. But increased production should not be confined to agriculture. In all those industries in which our young men are engaged, and which might be called natural industries because they are indigenous to the country and we have special facilities for their development, there should be increased production. Many of these industries provide staple products which enter into the consumption of every home in this country, and from these industries tens of thousands of our young men have gone forth to fight. Many of these men when they come back from the war will be unable to resume their former occupations, and where are we going to get the trained men to take their places except through a system of technical education? The Government very properly have taken advantage through the Hospitals Commission of the facilities existing in the various provinces for vocational training and the poor boys coming home maimed from the front are being given technical instruction so that they can earn a living in another and perhaps less onerous line of work. This, besides giving them an opportunity to lead a useful life, adds to the products of the country.

If we had not had the way prepared by the technical schools that are to be found in every province of the Dominion, where should we have been in Canada in regard to fulfilling our great duty to our young men who are debarred from returning to their former employments? In view of the conditions, what greater duty could be laid upon the country, what higher opportunity could be afforded it, than to assist, if not to the fullest extent suggested by the commission at least to some extent, in order that there may be given in each of these institutions instruction and training to fit our young people for the battle of life, and also to develop industries which will be of the greatest value to the country? One does not need to elaborate the facts which have come to us in these latter days of the marvellous development achieved by Germany under its system of technical education. That nation, though cribbed, cabined, and confined practically within its own boundaries, as the result of the naval supremacy of our Empire, yet has been able, up to this time, to maintain itself by following lines of scientific production. Mr. Hoover, who has recently returned to the United States, and has been given the task of dealing with production in that country, and

who is familiar with the condition of affairs in Germany, tells us,—and the facts are enough to astonish us—that, as a result of the internal conditions of Germany they are able to supply themselves through their own productiveness for six months longer, notwithstanding that their country has been for three years encircled by hostile forces. The only reason for this condition is that they have applied science to every walk of life by means of technical education. Through this system they have reached the plain people in every part of their nation, and have enabled them to work out intelligently the scientific principles in reference to production which their investigators have discovered. What, then, is the lesson for us? We are a comparatively sparse population in this vast country, but our aim and ambition always has been that we might make in Canada those things that our people need. Are we going to give notice now to the younger men who are growing up and who have not been able to take part in the war that we are going to do nothing to fit them for the great economic struggle upon which this country must enter in the time of keen competition that is likely to come when the war is over? Or shall we see to it that our coming citizens shall be equipped to be efficient members of the working force of a nation within the Empire in competition with the rest of the world?

In view of these considerations, I say that the duty which my hon. friend from Rouville urges upon this House and this Government is one of such character that we might well refrain from expenditures, such as those to which I have alluded--expenditures which, if this were the time to discuss them in detail, I could prove to be unnecessary at this time--and devote ourselves energetically to the work of equipping the men of the next generation, those who within the next twenty years will have the destinies of Canada in their charge. We are told that the Government has appointed a commission of experts to inquire into the best lines of industry for our people to engage in. But that commission has practically only got under way. The practical value of any recommendations that they may make will depend upon having the skilled workers to carry those recommendations into effect. If in a year from now we are still discussing this question, we shall face it under greater obligations in the way of increased public debt and so with greater difficulties before us. If this committee of experts is to report within a reasonable time, why should not we prepare the men by technical training so that they may be ready to put into effect by actual production and in the quickest time those recommendations which we hope will be made as to lines to be followed for Canada's industrial development? I venture to say that there is no question which, among thoughtful people, interested in Canada's future, is regarded as of greater importance than that submitted by my hon. friend (Mr. Lemieux). Members of this Government must have heard from men who have given thought to this question as to its importance, and the vital, imperious necessity for action. As they are guardians of the public interest, and guides of the destinies of the country in this crucial time, I submit, the Government will fail in their duty unless they provide at the earliest possible moment financial assistance for technical education; this they can give without unduly burdening the public by simply putting off such expenditures as those. In this way we shall in some measure prepare for the conditions which will face us when the war is over.

Mr. CLARENCE JAMESON (Digby): I shall only detain the House a moment. I am sorry that the hon. member for Pictou (Mr. Macdonald) thought it well to import what might be regarded as a slightly partisan tone into a purely economic discussion. This question of technical education was brought before this House eight years ago. I do not think there is any question in the mind of any hon. member that technical education in some measure at least lies within the power of this Parliament. This question is as to what we are going to do. Eight years have elapsed and I think it is now time that some action should be taken.

As an illustration of need for action, I met the other day the head of a large industrial concern in this country and he told me that some short time ago he had required an efficiency expert for his business; being unable to get one in Canada, he had to go to the United States, where he found a former Canadian who had secured his technical training in that country and who was most efficient in his special line. To talk of not being able to afford the expenditure which would be involved in taking the necessary steps to put into effect technical education in this country on a broad and liberal plan, is not, I think, a proper view to take. I do not think that a few million dollars expended for such a purpose should be considered at all when compared with

the value of the return which this country, and the generation which is now growing up, will derive from the investment. We are asked to wait—to wait until the war is over. Mr. Speaker, opportunity and time do not wait and opportunity and time are now with us. I do not think this is a case in which we should wait. I do not think we are doing our duty if we do wait. We did not prepare for this war; we could not prepare for it because we did not foresee it but, in the name of Heaven, let us prepare for the peace which we hope and believe is soon coming.

Right Hon. Sir GEORGE FOSTER (Minister of Trade and Commerce): Mr. Speaker, I do not suppose there is a member on either side of the House who would controvert the view now very widely acquiesced in, that scientific education, technical education and manual training are necessities of the age. Then if they are necessities of the age, they are certainly necessities for young and growing countries like ours which have to arm themselves in every possible way for the keen contest of competition which lies before them, the extension of trade and the development of resources. We are not to-day ranging ourselves on opposite sides as regards the necessity for this kind of education, and the benefits that will arise therefrom. We are not controverting the principle therefore, should we take a little different position from that of my hon. friend (Mr. Lemieux) who moved this resolution. The resolution is:

> That in the opinion of this House action should be taken by the Government at the earliest opportunity with a view to giving effect to the recommendations of the Commission on Technical Education.

That confines action of the Government to that one particular channel, which has been hewn out by the commission of experts which was appointed to investigate and which gave a very thorough investigation to the question, taking a wide range of countries and a wide range of experience, and embodying within the report a vast deal of most useful and practical information. But no matter how gifted that commission may have been, no matter how wide the investigation it may have carried on, we cannot assent to the proposition that all wisdom lies with any selected set of men. They have embodied in their report, as the result of their investigation, an immense amount of the most useful information, and then they set themselves to make recommendations as to the methods which shall be employed, or the channels along which the assistance to be given shall flow. There arises an opportunity for honest difference of opinion. The Government after it has thoroughly considered the report and availed itself of the information they have gathered, may agree with many things that the commission recommend, or on the other hand, it may disagree with certain others. If we pass this motion as it has been placed before us by my hon. friend from Rouville, there is no latitude given to the Government for the exercise of its own judgment in reference to the methods to be adopted or the assistance to be given. We are tied down absolutely to give effect to all the recommendations of the Commission on Technical Education. That is why we, or why I, myself, in speaking on this matter, take an opposite view to that taken by my hon. friend.

No man, on this side of the House, has raised a voice against the necessity for, or the advantage of, technical education and manual training in this country. I am not going to take up the time of the House in speaking on the reasons for this, for I think we have passed the stage when argument is required in support of that principle. It is a question now as to how it shall be done, as to when it is to be undertaken, and as to how much assistance shall be given. We must not shut our eyes to two facts bearing upon this subject. One is that technical education and manual training are as much, if not more, the function of the provincial parliaments as they are of this parliament. By the Act of Confederation, the provinces were given the controlling power over education; but that has not been held to preclude the Dominion Parliament assisting them along this and other lines of education. The provinces themselves, I have always contended, and I think so yet, have the major interest in this matter of technical education and manual training, and provincial effort has not been altogether wanting in this respect. We find throughout this Dominion that provincial, local and municipal authorities have in later years taken hold of this question and have advanced it very materially. In Toronto one of the finest temples of technical education and manual training to be found in any country has been erected by the civic authorities, and it is now in full operation and doing most excellent work not only for the citizens of Toronto, but for others who may take advantage of its facilities.

I know of my own knowledge that in the province of Nova Scotia very effective steps have been taken towards the promotion of technical education and manual training in different parts of the province. In Halifax there is a notable instance of the activities which are going on. The theory, I think, is a tenable one: that the provinces have the prime interest; but the Dominion is also deeply interested through several departments of its Government. Trade and commerce depend upon the development of the resources and the production of the country, and so the branch of the Dominion administration over which I have the honour to preside has a very keen interest in the prosecution of this education. The Department of Labour also has an interest in the subject. Technical education and manual training undoubtedly affect production and commerce, but they have an even greater influence upon the character and prospects of the labouring men, particularly artisans, of the country. That is why the Minister of Labour has an interest in this matter. In the Department of Agriculture the same thing applies. The Department of Agriculture, in its desire for intelligent, scientific productivity—and I think we have long since passed the stage of thinking that agricultural productivity can be carried on in any adequate way unless you get down to the scientific principles which underlie it and have worked them out in the development of your agriculture—is also keenly interested in this subject. These are the reasons why different departments of the Dominion Government have a live interest in this matter, and why Dominion aid and the sustenance and support of this Parliament ought to be given to technical education.

Technical education and manual training looked at as instrumentalities towards better production and better development of our resources, and consequently the making of wealth in this development and production, is a fine thing and worthy of the support of provincial and Dominion Governments. But there is another phase which to me seems to be as important, if not more important, and that is the effect of technical education and manual training upon the character and development of the men who are trained under such a system. The difference of character, the difference of stimulus, the difference of ideal, which lies between the man who works mechanically and the man who works because he understands the principle upon which he is working and is creatively and constructively carrying out his work on those principles, is as marked as the difference between the two poles. The man who simply works mechanically may do a good job, but he has dullness instead of alertness, he has lack of stimulating interest and force, and the effect upon the character, the work, the life, of the man who works from educated, scientific foundations and principles, creatively and constructively, can hardly be adequately measured. And so by the very fact of bringing the artisan, the labourer, down to the principles of his work and inducing him to work upon them constructively, technical education is a force added to the development of the country in the character of its workers and the character of the children and families of these workers.

I have no desire to prolong the debate, but I have a desire to keep the freedom of the Government in this matter. I do not think that we should be tied down to the narrow limits within which the resolution of my hon. friend does tie us. I propose that instead of taking this resolution of my hon. friend and tying our hands to a certain method which has been laid down by the commission, the Government should be allowed to retain its freedom of action, while not going one whit behind my hon. friend and the spirit of his resolution as regards the importance and the necessity of what he has advocated. I therefore move that all the words after "that" be omitted, and that the following be substituted therefor:

> In the opinion of this House the promotion of technical education and manual training is essential to the proper development of the resources of Canada and the extension of her internal and foreign commerce, and that reasonable assistance should be given thereto at the earliest practicable opportunity.

That preserves an equal stand as regards advocacy of the principle itself, and an equal adhesion to that principle, but keeps what I think it is important should be kept; it keeps to the Government freedom of action as to the lines along which it should give assistance, and it also mentions and provides for the practicable opportunity when that can be given.

I have a word to add. I am not making a plea that, because the war is on and is not finished, therefore the Government is entirely absolved from giving assistance towards technical education and manual training. If this amendment is passed, it does not preclude in its terms, the Government, when it has the opportunity, fully

considering this subject, as we shall have to do when the Prime Minister and other members of the Cabinet who are not now here, return. It does not preclude in any way the giving, even at a very early period, of assistance with reference to this matter. The main point, I think, is clear to my hon. friends on both sides of the House, and that is that the purpose of my amendment is to preserve the freedom of the Government as to the methods and lines along which it may give assistance.

Hon. MARTIN BURRELL (Minister of Agriculture): The Minister of Trade and Commerce has covered the ground pretty well; I wish to say just a word or two in support of the amendment. The fact that the Government could not accept the resolution of the hon. member for Rouville (Mr. Lemieux) should not, I think, imply any lack of sympathy or consideration on the part of the Government for the subject of technical education. Nor would it necessarily mean that the Government would not move in that direction. The hon. member for Pictou (Mr. Macdonald) said that this was a non-party question; to that I think we all cordially subscribe. He urged that it was the duty of the Government to adopt the resolution of the member for Rouville and to accept the principle therein stated. I maintain that if the amendment is carried we shall be accepting the principle of the resolution; moreover, it would not have been advisable to accept the resolution in its original phrasing. The resolution states that we should give immediate effect to the recommendation of the Commission on Technical Education.

Mr. LEMIEUX: At the earliest opportunity.

Mr. BURRELL: It states that that report should be adopted. The member for Pictou, although he wanted this resolution to be adopted in its entirety, let drop a sentence that showed the impracticability of adopting it. As a matter of fact, I remember very well that the discussion which took place in the House on this subject in 1909 was entirely on the question of industrial and manual training. I remember going over the discussion subsequently; not a single word said by any speaker during the whole course of that discussion had relation to the question, for instance, of agricultural training; yet more than half the report of the Commission on Technical Education deals with the question of agriculture. I do not say that that question is not equally important, but the recommendations of the commission did not amplify or carry out the intent of the discussion that took place in the House, which related entirely to technical education as applied to our industries. This I conceive to be the great want.

A further remark I wish to make—because it ought to be emphasized in our acceptance of the amendment instead of the resolution—is that it was specifically acceptance of the amendment instead of as stated by many of the premiers of the provinces that they accepted the Government's suggestion to appoint that commission only if its purpose was to be the gathering of information. The strongest possible argument was made on that subject by the Premier of Quebec, Sir Lomer Gouin, who said:

> We are of the opinion, my colleagues and myself, that anything pertaining to public education—whether the subject be special teaching or general teaching—belongs to the provinces exclusively, and I want to write you so, in order that there may be no misunderstanding on that point. As, on the other hand, you give me the assurance that the federal authorities, in instituting a commission of investigation, would simply do it with a view to help the provincial governments by having collected information which they would later on put at the disposal of the latter, we see no objection to the appointment of such a commission.

Later, when the commission was appointed, it was specifically stated that the report of the commission was obtained in order that it might be put at the disposal of the various provinces, who might deal with it as they saw fit. It was placed at the disposal of every province and my recollection is that not a single province has stated in definite terms to the federal Government whether they approve the adoption of that report. How, then, in the face of that fact, the resolution of the hon. member for Rouville could be accepted by this House, I cannot very well see. For instance, the report recommended an elaborate scheme for carrying out this work, involving the constitution of a Dominion development conference, a Dominion development commission, a Dominion development fund, a provincial development commission, a provincial development council, local urban industrial development boards and local rural development boards. It is quite obvious, therefore, that we should not, as the Minister of Trade and Commerce has said, bind themselves to the specific recommendations contained in that report.

One word with regard to what the hon.

member for Pictou said in reference to agriculture. It is perfectly true that we are helping agricultural education. We are doing this by recognizing the jurisdiction of the provinces and giving large grants in aid of the educational work of all the agricultural colleges in Canada. It is true that the same method might be adopted in regard to technical education, but it is quite evident that the provinces themselves—and I think the federal Government would not want to force it upon them against their wish—would not desire that this Government should lay down specific methods in regard to education, even if it were technical education.

The hon. member for Pictou laid a good deal of stress on a matter which is of great importance, and that is in respect to technical education for returned soldiers. I assume my hon. friend knows what has been done in that regard; ample provision is made under the Hospitals Commission, the various provincial Governments co-operating, for the complete technical education of any of our boys who come back from the front—as rightly should be done. The matter of what further steps the Government might commit itself to is one that merits a certain amount of consideration. There is certainly not a member of this Government—and I am sure there is not a member of the House—who is not in hearty accord with the principle enunciated in the amendment introduced by the Minister of Trade and Commerce, and, to some extent, in the resolution of the member for Rouville. For my part, I do not see how we could accept the resolution, but I am quite sure that the whole House will be in sympathy with the amendment, which, after all, adopts the principle which my hon. friend speaks of.

Mr. MACDONALD: May I ask the hon. minister if his interpretation of the resolution anticipates action by the Government this session?

Mr. BURRELL: I do not think my hon. friend would expect me to answer that question, after what the Minister of Trade and Commerce has said with reference to the return of the Prime Minister and others of the members of the Government.

Mr. SINCLAIR: If the Government would give some assurance on that question, I would feel like supporting the amendment. If we get an assurance from the Acting Prime Minister that something will be done during the present session, I think that would be satisfactory.

Sir GEORGE FOSTER: I will be perfectly frank with my hon. friend. I am not the Prime Minister of this country; I am only the acting Prime Minister. The Prime Minister and two of his colleagues have been away for a couple of months; we have not had an opportunity of discussing this question lately, and I do not purpose binding myself or attempting to bind the House down to any particular course. If it is specific definiteness that my hon. friends on the other side are after, they will find as much in my resolution as they will in the resolution of my hon. friend. He asks that action be taken at the earliest opportunity. Who is to say what moment is opportune for taking action? The Government, of course. I think my amendment is a little more specific, more practical and less academic than the resolution of my hon. friend. I bring it down to "the earliest practical opportunity," and I have already stated that that does not preclude the possibility of its being done this session.

Mr. MACDONALD: The earliest opportunity meant during this session.

At six o'clock, the House took recess.

After Recess.

The House resumed at eight o'clock.

Mr. J. H. SINCLAIR (Guysborough): Just before six o'clock I endeavoured to extract a promise from my hon. friend (Sir George Foster) who leads the House, that some action would be taken on this important matter during the present session. I am not sure that I caught what he said. He addressed honeyed words to the House which probably meant that he fully intends to take some action. I think it would be in the public interest that he should do so, for the delay has been altogether too long. I have had the honour of a seat in this House for twelve years, and I think that nearly every year during that time this question of technical education has been before the House in some form or another. It became an urgent question with the last Administration and was pressed upon them by supporters who felt an interest in it. The result was that some time before they went out of office they appointed a Royal Commission on the subject, which commission has done honest and useful work. We have had in this country many Royal Commissions—as my hon. friends will agree, they have been as thick as blackberries in

autumn. But many of them have not been productive of great results. This one, however, is an exception. The Royal Commission dealing with the question of technical education has done splendid work and has brought in a report that has been recognized by every one in this country as a very able document. I do not say that this Government should adopt everything that the Royal Commission has proposed. Nor would the resolution proposed by my hon. friend from Rouville (Mr. Lemieux) make that necessary. It is rather a technical view to take of the resolution to say that if it is adopted there is only one course for the Government, and that is to carry out all the proposals of the commission. The Government, of course, would be free to adopt a policy and that is what we want—we want action in this matter. Prior to the war, one excuse or another was given for doing nothing, and last year the Minister of Labour, as I recollect it, gave the war as the excuse. He spoke of difficulties on account of the revenue. I do not regard that as an answer. The Government have been free with the country's money in many other directions. Not later than last year we voted a very large sum—some $6,000,000—to the extension of the Quebec and Saguenay railway. I am not saying whether that enterprise is a proper one or not, but in importance it does not compare with technical education. I might mention also the Hudson's Bay Railway, on which we have already spent $17,000,000. Yet that enterprise is not urgent compared with technical education. It is evidently not a question of funds that is troubling the Administration. Besides, I do not think that much money would be needed for some time. I presume that a policy something like that which is carried out in the United States could be adopted here. The state is required to equip a technical school before any assistance is given by the Federal Government. Probably years would pass before some provinces would be able to claim a grant made with those conditions. So, the question of providing a large sum of money at once does not enter into the problem. I know my hon. friend will agree with me that as a war measure this resolution is particularly important. It is admitted by everybody that, next to winning the war, the greatest question before the people of Canada to-day is the development of the country's natural resources we must have trained men; captains of industry are what we want in this country, and we have splendid raw material from which to make them if we give our boys and young men a chance to learn the duties of such leaders. The manufacturers themselves have recognized this, and some have taken practical steps to meet the situation. The town in which I live is the headquarters of the Nova Scotia Steel and Coal Company. That company encourages its boys to attend the local technical school, and even goes so far as to say to a boy: If you will put in so many nights in a week in that school, it will count on your working time, and you will be paid for it as an apprentice. The boys get through their apprenticeship earlier by attending technical schools. I suppose the same method is followed in other places. This shows the great importance that the manufacturers themselves attach to technical education. I shall not weary the House by dwelling on that, because every one admits that this matter is of vital importance to the people of this country. Both sides have agreed that it should be taken up, and the only question that remains is as to when a start should be made. I can see no reason myself why there should have been such a long delay. While my hon. friend may not be able to tell us to-night, without consulting his colleagues, that he will bring down an estimate this session for the development of technical education, if he will say that he will recommend such an appropriation to his colleagues and will use his great influence at the council table, I shall be satisfied, and I have no doubt that he will be successful. But I am very loth to part with him on this occasion without something definite because we do not want to have to go home and tell our constituents that the question of technical education has been brought up in the House again, and again postponed to a more convenient season. I think that is all I have to say. I am heartily in sympathy with the movement. I felt at first that if my hon. friend did not agree to a prompt step being taken it might be necessary to move to strike out the last words of the amendment and substitute therefor "during the present session of Parliament." But I do not wish to divide the House on this question, as we are all agreed on the general principle. I trust that my hon. friend will give us some more definite assurance than he has given us yet, that something will be done this session in this direction.

Mr. H. BOULAY (Rimouski) (translation): Mr. Speaker, I feel like congratulating the hon. member for Rouville (Mr. Lemieux) for the courage and the extraordinary steadfastness of purpose he displays on all occasions, as well as for his activity at every session; his example should be followed by all the members of this House.

I have always taken a great interest in education, and I think the present question, should draw, at this time especially, the attention of the whole country. More than ever before, should we all realize the great necessity of education as an asset in life. The idea should be spread throughout the length and breadth of this country, and no more ought we to hear in some remote parts that the people should refrain from electing educated men as school trustees because forsooth they know too much. Those ratepayers may be of the same mind as the judge of whom a member from the province of Ontario spoke this afternoon. This colleague went almost to the length of stating that he had heard the judge in question say that all members of the Bar were thieves. In that case, if that be true, I thank Heaven that I never was minded to become a lawyer.

To return to the point, I examined to some extent the report of the commissioners who investigated the question of technical education. It is so voluminous that I have not yet been able to go through the whole of it. But from what I heard this afternoon from speakers on both sides of the House, the commission has made practical suggestions which may help us to develop a system of technical education. After being elected to a seat in this House, I made inquiries from the heads of the various departments and was informed that in many instances men had to be brought from outside countries to fill positions that required technical ability. I was both surprised and grieved that in this country we had to seek elsewhere for men that we should be able to educate ourselves. That explains why I was impelled after the outbreak of the war to call the attention of the House to the fact that there were Germans in our Civil Service.

Hon. Mr. LEMIEUX (translation): Hear, hear!

Mr. BOULAY (translation): I contend that in our educational institutions, where men are prepared for scientific pursuits, less time should be given to the study of the Greek and Latin authors and more to science proper.

All the members, those at least who have taken part in this debate, agree upon the necessity of our taking some action along the lines proposed by the hon. member for Rouville. At the same time it was suggested that it might be better for the present to devote our efforts to the objects of the war and postpone until after the war the question raised by this resolution.

On that account I believe the amendment of the Minister of Trade and Commerce should be adopted without a dissenting voice. The hon. member for Rouville himself will acknowledge, from the fact that the Government willingly accepts the principle of his motion, that the amendment is timely and should be concurred in unanimously.

Mr. S. F. GLASS (East Middlesex): I was interested in this question when it was before the House last session, and I wish to say just a few words now. I have seen some of the benefits of technical education in the province of Ontario, where the Department of Agriculture has established a system of district representatives, and I am glad to know that this system is being extended to the other provinces. Seeing the benefits that have accrued to agriculture, the Dominion Government has thought it wise to give specific grants to the provinces, to be used for certain definite purposes. I have here the report for 1915 of the Ontario Department of Agriculture, by which I see that $114,000 was spent through the district representatives. I presume that that amount represents the cost to the provincial government of maintaining the representatives in the various districts. In addition to that, $20,000 was expended to encourage agriculture in schools within the province. This sum I presume came largely from the aid given by the Department of Agriculture. It seems to me that my hon. friend the Minister of Agriculture acted very wisely when he introduced his Bill to give agricultural aid to the provinces and, in connection with it, to direct, as far as possible, the expenditure of that money along lines that would be educational. I take it that the Department of Agriculture has appreciated the need of practical education as applied to agriculture and we have seen good results from the expenditure of this money. In the province of Ontario, during the short time these appropriations have been available and district representatives have been prosecuting their work, increasing interest in improved methods of agriculture has been shown by the farmers. I remember that when it was first proposed

to undertake such work within the county of Middlesex, the county council, at three successive sessions, refused to accept the conditions under which a district representative might be placed in their midst because it would require a paltry appropriation of $500. I do not think it was the size of the grant that affected them at all but I believe that the farmers at that time had the impression that a district representative amongst them would be more of a nuisance than a help, that he would not be of any real value and they did not seek to encourage the movement. But, when finally it was presented to them, they adopted the principle and asked the Government of Ontario to place a representative there. It was soon found that the demands on that representative's time were so great amongst the farmers of the district that a second man had to be appointed to assist him and within two years a third man was necessary. The more the farmers avail themselves of the opportunities extended to them through the district representative the greater will be the demand for assistance of this kind. I am sorry to say that as a result of the war, possibly through enlistment of those who have been engaged in this work, although the need is as great as ever, it has been found almost impossible to get enough men properly trained and equipped to satisfy the demands of the different counties. In Middlesex to-day one man is doing the work, and he is quite unable to satisfy the demands made upon him. He can only skim over the surface of the work. But, no doubt, when the war is over and more men are trained for this work, we will find that the Government will be willing to give the farmers further help by supplying more men where needed.

In connection with technical and scientific instruction in agriculture in Ontario and the appointment of district representatives, a very important movement has taken place in the initiation of the acre profit competitions within the province. During the winter season classes are held in the high schools at which young farmers and the older ones too, if they care to attend, have the opportunity of hearing lectures on agricultural subjects by the district representatives. To encourage the movement further the Government of the province established the acre profit competitions. A significant thing in connection with these acre profit competitions is the great difference between the minimum production and the possible maximum production even amongst those who took part in the competitions. In an acre profit competition in which the crop grown was potatoes, I find that in the Muskoka district one young lad produced, in 1915, 514 bushels of potatoes at a cost to him of $42.02. With the good prices prevailing that year he was able to reap a net profit of $336.72. In Renfrew county, Percy Wright in the township, I presume of Westmeath, produced 421 bushels of potatoes at a cost of $42.09 and with a net profit of $269.81. It runs from 514 and 421 bushels down until the minimum production is reached in the county of Frontenac where 51 bushels per acre were grown by Roy Ewing of Elginburg, with a net profit of $9.87. What I wish to point out is the great difference between the possible maximum production and the minimum production. That shows that in order to secure the possible maximum production in root and other crops instead of the average production we must adopt scientific methods of cultivation and the use of proper fertilizers. Therefore, scientific farming and properly applied methods would produce a very much larger proportion of wealth to our country if information on these subjects were more generally disseminated and acted on throughout the province. In connection with these classes of instruction at the high schools five competitions in growing silage corn were held in which young lads attending these classes took part. On the five different plots the average profit was $85.56 at a time when silage corn was worth $3 a ton.

When we take the maximum under that, which reached $100.95, and the minimum, which was only $21.32, again there is an illustration of the enormous difference between the maximum and the possible. It is not necessary to elaborate along these lines. I rise to say that I shall support the amendment of the Minister of Trade and Commerce and acting Prime Minister (Sir George Foster), because I believe he is sincere in what he says, and I do not think it is said with any idea of postponing action. I believe he is fully seized with the need for as early action as possible in connection with this movement. To support and justify that opinion, I have before me a copy of a speech delivered by the Minister of Trade and Commerce on the 18th of April, 1916. He was discussing the matters that were pressing on us at that time, and referring to the activity in our industries, and as a result the large amount of our exportable products. He said:

Whilst we are glad to see the munition works doing their part in supplying the Empire with that which is necessary, whilst we are glad to have the money which comes as a sequence to the employment, yet all this is not beneficent and productive work and when it stops—yes, before it stops—well before it stops—the people of this country should be putting on their thinking caps, sizing up the situation and getting ready for the inevitable and important change that is to come. The first duty of this House and of the people of the country is simply to face that situation, to get right down before it, face it, think it out and be prepared with plans and organization as to what shall be done when the time arrives. That is the first duty of us all. In the next place, will you allow me, Mr. Speaker, to call your attention to another phase of the question, and that is: what are the practical things that can be done and to what extent are we doing these practical things?

One of the things that I think we ought to do, and we may well do, is to take stock of the situation in Canada as it will probably be when peace comes. What is it in the Dominion of Canada that we shall consume, that we shall find necessary for our daily wants? To what extent can that be produced in Canada, and to what extent must we depend upon outside countries for these supplies? First—and I am not going to labour the point, for I wish to finish my remarks by six o'clock—I think that the thing we ought to do is to sit down and take stock of the resources and of the wants of the country. And with this idea—that, knowing what we require, and knowing how much is produced by ourselves at the present time, and for how much of it we have to depend upon foreign countries, we may, in a business way, set ourselves as Canadians to the solution of the problem of our wants.

I think that in these expressions the minister at that time had in view the movement which he later put in operation for the establishment of a research department. I am pleased to say in connection with that department, and I congratulate the minister on his choice, that when it became necessary to find a chairman to preside over that commission they had to get a man born and bred in the county I have the honour to represent, the county of Middlesex. Professor MacCallum has a good reputation. He has, if I may use the phrase, made good; and I believe that the choice the minister has made will be found to be a wise one, and that much good will result from the development of this work. The minister further found that it was desirable, and I think that this was essentially part of the technical training, to arrange to train and equip men to look after our foreign commerce, to train men in languages and in the science of trade and commerce. He said:

At the present time I am contemplating the sending of a special trade commission to the United Kingdom, to France and to Italy. These will be different from our trade commissioners. I am trying to select four or five business men of Canada—men of capacity, of practical experience, to a certain extent of expert knowledge in the different lines of industry to which they are or have been attached—who will form an honorary commission.

All through the speech he made at that time there is evidence that there was in his mind a keen sense of the needs of this country along the lines of industrial development, and, in connection therewith, of technical and manual training.

The minister further said:

An attempt will be made to co-ordinate the scientific and engineering factors of Canada along the lines of research and technical requirements intimately connected with production and with distribution. I think this is of prime importance to us in Canada. There is to-day in our universities, in our colleges, in scientific societies, and in individual laboratories, excellent resources and ability for chemical research, for all that kind of research which transfers from the laboratory to the factory what is absolutely necessary for the factory at this time, and what will be more necessary for the factory when the period of unexampled competition comes within three or four or five years from now. Science, knowledge, and information are as essential to a well-ordered and successful business as they are to the profession of the doctor or the engineer or any scientific man. Germany's great point of vantage was that her technical and scientific instruction had advanced to such a pitch and had disseminated itself so widely that it worked itself into the very grain of Germany's production and made them the powerful competitors that they were. Britain, Canada, Australia and other countries must not merely take a leaf out of Germany's book; they must sit down before that question and solve it by bringing the aid of scientific research, of engineering capacity, of technical power and expertness into the region of the farm and the factory and the business establishment, and incorporating together those essentials which ought never afterwards to be disjoined.

Then, I think something else should be done, and should be done soon. It may be that I have been criticised for not thinking that it should have been done sooner, for I have had many statements and suggestions made to me on that score. Men have written to me and men have said to me: What is your department doing all this time? Should you not get people together, and should you not have them thinking, making plans, mobilizing for the work of the future? Now, I looked upon that in a somewhat different light from some other people. My view was that there was a time at which such an attempt would have been premature. But things have developped by the very force of necessity. The work in Canada had first to be devoted to the furnishing of munitions and war supplies. That took all the energy, and, for the time being, all the thought, all the enterprise, and all the capital, that could be got. The demand was less in normal lines, and consequently less enterprise could successfully be devoted to ordinary production.

I attended a meeting in Toronto in February last of textile manufacturers from all

parts of the Dominion where textiles are manufactured. At that meeting different manufacturers spoke of the difficulty they experienced in getting properly trained men to manage the departments of the various factories. The problem was before them just as it is before the House now of properly training and equipping men to take charge of the different branches or departments of their factories. They proposed that textile institutes should be established in different sections in proximity to the factories. The idea was that the country should be divided into sections and that textile institutes should be established, not in each factory town, but at convenient central points. It occurred to me then, and I am still of the same opinion, that in such a case as that, some action might be taken by this Parliament similar to that of the Minister of Agriculture in appropriating a sum to help the agricultural industry.

In the city of London, Ontario, we have just completed a technical school which will cost about a quarter of a million dollars, and as a result of the development of technical education in that city the cost of education has increased to such an extent now that the school taxes of the city amount to 33⅓ per cent of the total taxation.

I fully appreciate the fact that the matter of education is left entirely to the provinces, but I argue that, as we have found a means of assisting the provinces in the matter of agriculture, arrangements might be made, before a general programme of technical education is provided, to assist such organization, for instance, as the textile industry in Canada. The Minister of Agriculture has evinced much interest in the flax industry, and has given it much assistance. I rather think that the Department of Agriculture might even assist the Flax Growers' Association and help them to secure an increased interest in the production of flax. In most of the provinces—I do not say in all, but in a number of them—technical education is a live question, but the present arrangements for carrying on technical education are largely due to local endeavour, with a certain measure of assistance from the provinces. I do not believe in the principle of granting sums to the provinces on a per capita basis; I believe aid ought to be granted by the Government in proportion to the endeavour made in the respective provinces. It would be inadvisable that any grant from the Government should cause the provinces to reduce the grants they are at present making to the local districts to which they are giving assistance, but rather to supplement them.

From what the Minister of Trade and Commerce said this afternoon, I have not the slightest doubt that this matter will occupy the attention of the Government when the Prime Minister returns. A reference to the speech delivered by the minister in April last satisfies me that the Government will give the fullest attention to the subject, and I am hopeful that as a result of their deliberations some action will be taken during the present session. I believe that it would be unwise to accept the resolution of the hon. member for Rouville as he has placed it before the House. I trust that as a result of the discussion which has taken place, my hon. friend will not deem it necessary to press his resolution. If his faith in the Minister of Trade and Commerce, who has suggested the amendment, is as great as mine, he will be satisfied that the Government is fully seized of the need for speedy action in reference to this matter and that effective aid will be given.

Hon. RODOLPHE LEMIEUX (Rouville): Mr. Speaker, I have listened with very much interest to the able speech which my right hon. friend the Minister of Trade and Commerce has delivered on this subject. His remarks, contrasted with those made by the Minister of Labour, are very striking indeed. I must say that the Minister of Labour has not done justice to himself or to the importance of the subject which was brought to the attention of the House this afternoon. The great argument used by the Minister of Labour was that the member for Rouville had brought the question again before the House and that he had repeated this year what he said last year on the same question. The minister said that he had nothing to add to what he had said on the same question last year. I submit in all candour and honesty that this argument is not worthy of the debate which has engaged the attention of the House. It is quite possible that I repeated myself, for nothing new can be said as to the urgency of this matter. It is just as urgent and just as important this year as it was last year. The Minister of Labour has evidently forgotten that under our system of parliamentary government, reforms are brought about and progress is obtained by the repetition of arguments. Take the question

of free wheat, which has been solved, if not permanently, at least for the while, by the Government. Two months ago, a year ago, two years ago, five years ago, no one on the ministerial side would have thought that free wheat would be given to the west; we are all familiar with the array of arguments which was advanced by hon. gentlemen opposite when that question was mooted in the House or on public platforms. But the Opposition and the westerners, by pounding their arguments in favour of free wheat, have succeeded in awakening my hon. friends opposite, who have practically stolen the clothes of their political opponents on this question. I am pleased to see, however, that the Minister of Trade and Commerce thoroughly understands the importance and the urgency of technical education. I was right when I said this afternoon that the question of technical education should, perhaps, come under the purview of the Minister of Trade and Commerce, rather than of the Minister of Labour. It is a question which affects trade, commerce and transportation, and in that respect should come under the Minister of Trade and Commerce. By his amendment he has clearly demonstrated that he believes in the principle of technical education—it is quite reasonable that he should believe in that principle, being an educationist of every high standing—and he believes also in the urgency of the question. The Minister of Trade and Commerce is generally imbued with good intentions. For instance, last year, in a moment, not of weakness, but of expansion, he spoke with vigour against the abuse of patronage, and his words have been repeated, much to his credit, from one end of the country to the other, but he is surrounded by gentlemen who do not seem to take as high a view of the patronage question as he does.

Sir GEORGE FOSTER: On that side of the House.

Mr. LEMIEUX: I mean on my right hon. friend's side. I am afraid that his good intentions on this question of technical education will receive just about the same support from his colleagues as his good intentions on the question of patronage received last year. When this question was brought before the House last year we had the same pious promise made—not by such a pious gentleman as the Minister of Trade and Commerce—but by the Minister of Public Works, who listened to the debate and who closed it by asking the member for Rouville to drop his resolution and to accept the promise which he made on behalf of the Government that his colleagues would look into this question with a favourable eye, and that at no distant date a substantial amount would be placed in the Estimates in order to give full effect to the principle of my resolution.

Mr. CROTHERS: I am afraid my hon. friend is putting into the mouth of my colleague words that Hansard will not show that he said.

Mr. LEMIEUX: I would read from Hansard what the Minister of Public Works said, but at the moment I have not the volume here. I remember quite distinctly, not the ipsissima verba of the minister, but that he asked me to drop my motion and to accept his assurance that the Government would see to it that the question of technical education would receive full consideration at the earliest moment.

Mr. CROTHERS: The Minister of Public Works did not put it in that way.

Mr. LEMIEUX: I have not his exact words because I have not the volume of Hansard before me. I will, however, give a better authority than the Minister of Public Works. This question is not a new one before the House, and I could give my hon. friend scores of names of my Conservative friends who, when they were in Opposition, were asking the Government of the day to take immediate steps and prompt action in the matter. I have here the report of a speech delivered by a gentleman who is now removed from this sphere of activity to the Senate. I refer to Mr. Crosby who was member for Halifax. Speaking on this question in 1909, Mr. Crosby said:

> Shipbuilding has been referred to by the mover of this resolution. One of the good reasons for instituting a technical school in Nova Scotia is that we expect to have a shipbuilding plant there very shortly and we hope—because our people are very apt and quick to learn—to have men competent to take charge of the principal positions in connection with that industry.

And in 1909 he urged upon the Government of the day to vote a large sum of money so as to give technical education the proper standing it should have in the country. My hon. friend from South Toronto (Mr. Macdonell), speaking in the same debate, dismissing all the objections that were raised against a grant being given to the Government of the day, said:

Even if the Government acted upon that suggestion and issued a commission, and then chose afterwards, in accordance with the recommendations of that commission, to go further and embark on an expenditure of money for the purpose, it could still be done in conjunction and in connection with the various provinces or municipalities in different parts of Canada, whose moneys or other assets could be joined with federal assistance.

Let us now take the case of another very prominent member. I gave this afternoon the very weighty opinion of the present Prime Minister who said that he was entirely in sympathy with the object that the hon. member for South Wellington (Mr. Guthrie) had in view, and he added:

I trust action will be taken along the line he has suggested, if no other action can be taken, but so far as I am concerned, I would greatly and infinitely prefer that a more definite and practical and speedy action should be taken than that which has been suggested in this resolution itself.

Mr. CROTHERS: You did not think so much of that opinion then as you do now.

Mr. LEMIEUX: The Minister of Labour of the day, the Hon. Mackenzie King, if I mistake not, moved in amendment, that a commission be appointed and the House voted on that amendment, and shortly afterwards, in 1910, an appropriation was inserted in the Estimates, and in the same year after the appropriation had been voted a commission was appointed and the best men in the country were 9 p.m. selected to compose it. That commission went to work in Canada and in about nine other countries, including Great Britain, the United States, France, Germany, Holland and, if I mistake not, Italy, and it reported. When the report was received, my hon. friend (Mr. Crothers) was in office and, as I stated this afternoon, instead of action being taken the report was shelved.

Mr. CROTHERS: My hon. friend is quite mistaken in saying that the report was made and shelved. The report was used as it was intended to be used when the commission was appointed. The commission was appointed expressly to gather information for the benefit of the provinces, and that information, when put in the form of a report, was sent to the provinces, and the provinces said: We do not approve it.

Mr. LEMIEUX: That is not the conclusion arrived at by the commissioners, and it shows that my hon. friend has not even read their conclusions.

[Mr. Lemieux.]

Mr. CROTHERS: My hon. friend must have misunderstood what I said. That must have been my fault in not making myself clear. I did not say anything about what the commission said. I said that the commission was appointed by my predecessor, Mr. King, solely for the purpose of gathering information for the benefit of the provincial governments. My hon. friend said that when the report was made I shelved it. I sent it out to the provinces just as Mr. King said it was intended should be done, and I asked them what they thought of it and they replied in substance that they did not approve it.

Mr. LEMIEUX: My hon. friend is simply playing upon words.

Mr. CROTHERS: No.

Mr. LEMIEUX: The commission was appointed to investigate and report, and when such a gentleman as Professor Robertson, not to speak of others, takes the trouble of preparing a report comprising four volumes with an additional volume giving recommendations, that report should receive more attention than it has received from my hon. friend. Not one of the recommendations made by the commissioners were followed by my hon. friend.

Mr. CROTHERS: Or accepted by the provinces.

Mr. LEMIEUX: What was the result of that investigation? This Government spent $150,000 on the inquiry. The principle has been approved by both parties in Parliament. It was approved by the present Prime Minister of Canada himself, as I showed from one of his own speeches this afternoon. And what has been the result? Mark my words, Mr. Speaker. We have here the Estimates of the Department of Labour for 1918, and we find "Industrial training and technical education, $1,000." One thousand dollars! That is the whole result of that long investigation. My hon. friend the Minister of Labour is willing to promote the cause of technical education to the extent of $1,000, and yet in the dying days of last session—

Mr. CROTHERS: Hear, hear.

Mr. LEMIEUX: My hon. friend may sneer. He sneered the other evening and got his answer from the other hon. member for Brantford. In the dying days of last session the Government, without consulting the rank and file of the party, came before the House with a scheme involving

the expenditure of $6,000,000 to help some distressed financiers in the province of Quebec.

Mr. GRAHAM: And in Ontario.

Mr. LEMIEUX: Six million dollars to relieve a few financiers in the province of Quebec and only one thousand dollars for technical education! I do not attach much importance to the statements made this afternoon by my hon. friend the Minister of Labour, because he has not given this matter the attention he should have. His own friends this afternoon showed clearly by their speeches that they are not satisfied with his attitude on this question. They know that in spite of all the Boards of Trade, in spite of the Manufacturers' Association, and in spite of the Labour Congress, the Minister of Labour has shelved this question again. When they clamour for bread he gives them a stone, or one thousand dollars. But there are other people more alive than he is in this question. Last winter a series of addresses was delivered in Montreal before the Mining Institute, by men who are not Ministers of the Crown and are not like the Pooh-Bah of the Labour Department, but who follow intelligently the movements of the day and think of the future. At the opening meeting Mr. Cole spoke on this very question:

> Mr. Cole also said that there was a crying need in Canada for some strong, central organization to take command and organize our industries, to bring about concerted action, and to make headway against our present appalling unpreparedness. The information and the valuable men in Government departments and universities should be made more generally available for the interests of the whole country. Societies such as the institute, corporations and individuals ready to assist should gather around such a re-organized Government department or war industrial council.

Another speaker before the Institute was Professor Frank Adams, Dean of the Faculty of Science at McGill University. Speaking on the question of scientific and industrial research, he said:

> One of the most remarkable and perhaps unexpected results of the great war is that there has been in every country of the English speaking world a sudden awakening to the importance of scientific research, and a recognition of the necessity of applying it to the whole range of problems which present themselves in both war and peace.
>
> The reason for the awakening is quite a simple one—The Hun is at the Gate. Great Britain developed as an industrial nation long before Germany had achieved any success in this sphere of effort, and the British system of manufacturing and her industrial expansion was developed by the independent and competitive efforts of a multitude of relatively small enterprises built up on the basis of the artificer and trader, and in methods of the olden times. In the last decades, however, Germany, having realized her national existence through successful war based on study and good organization, became possessed with the idea that she could become equally successful by the application of similar methods to the more insidious warfare of industry and trade. The note of her success was, as has been said, knowledge and organization, both to a national extent. By knowledge obtained through research on a most extended scale, and by wise organization of all, her powers, she proceeded to take from the other nations one after another of the productive industries.

This Commission on Scientific and Industrial Research was created by the Minister of Trade and Commerce, who is the only member of the Cabinet, I think, who has thoroughly grasped the subject. I do not know whether in his travels he has been able to follow the work of this commission presided over by Professor McCallum, whom I know very well, but one of the matters which is engaging the attention of the commission is this very question of technical education. Professor Adams says in this same address:

> The matters on which the council has already taken action are the following:
>
> (1) It has drawn up and has had printed four sets of questionnaires for distribution to the following:
>
> (a) The managers and directors of Canadian industries,
>
> (b) The members of scientific, professional and technical societies,
>
> (c) The Universities of the Dominion.
>
> (d) The Government Departments both Dominion and Provincial.
>
> (2) It has advised the Government, in order to encourage research, to establish twenty studentships each having a value of $600 to $750 per annum, and several scholarships each having an annual value of $1,500 at the Universities or technical colleges of the Dominion. These will be given to men carefully selected for the promise and capacity which they have shown in the prosecution of research work.

In conclusion, Professor Adams says:

> I would remind you that the encouragement of research and the application of science to all our industries and undertakings is a great national work which must be carried forward along many lines and in many ways. The members of the Council will use their best and most strenuous efforts to secure results commensurate with the importance of the work, and they ask you one and all to aid and assist in every way in your power this great work with which the future of our Dominion is so largely bound up.

I quite agree with the conclusion of Professor Adams, and I simply ask the Government to implement the recommendations which are made by Professor Robertson and those made by the Commission for Scientific research which has lately been appointed by the Minister of Trade and Commerce (Sir George Foster).

As to this recommendation of financial aid made by Professor Robertson, let me illustrate, for the benefit of hon. members who represent the several constituencies of Ontario, what it would mean for each of the industrial centres of that province to have the money spent according to the recommendations of the commission. In an address on "Education for Occupations," delivered in 1915, Professor Robertson said:—

The people of Ontario could draw from these funds to the extent of over a million dollars annually, besides receiving from Dominion authorities the co-operation and advisory help of highly-trained and experienced counsellors in starting new kinds of schools, as for example for textile workers—

I call the attention of my hon. friend from Middlesex East (Mr. Glass) to this:—

—and in the development of new industries. In Ontario there are thirty-nine towns and cities each with a population of over 5,000. These contain a total population of 953,896. It is estimated that within seven years after the policy was well begun there would be in these thirty-nine places about 30,000 pupils in the schools for the education for occupations of those over fourteen years of age. These towns and cities would draw from the Dominion Development Funds up to $380,000 a year.

Then he goes on to give a list of the cities and towns of Ontario and what they would draw from this Federal fund. Ottawa would receive $34,000; Kingston, $7,500; Belleville, $3,900, and so on. I wish to tell the Minister of Labour (Mr. Crothers) that his city, St. Thomas, would gain something if he were to give a little of his attention to this important question. The city of St. Thomas would receive annually out of the Federal fund $5.500.

An hon. MEMBER: What would London get?

Mr. LEMIEUX: It would get $18,500; Brantford, $9,000, and Hamilton, $32,500.

Mr. GLASS: I have not seen the report. Would the hon. gentleman please state on what basis these amounts are apportioned? Is it on the basis of population, or on the basis of expenditure by the local authorities?

Mr. LEMIEUX: Professor Robertson says:

Under the policy recommended by the Commission, there would be two Dominion Development Funds to aid technical instruction and training; one of $350,000 a year to promote prevocational training by means of experimental science, manual training, drawing, domestic science, and nature study; and the other of $3,000,000 annually to supplement local efforts in providing education for occupations for those who are past public school age.

[Mr. Lemieux.]

I am glad to see the leader of the House (Sir George Foster) take some interest in these matters. I have lost all hope that the Minister of Labour will study the question and give it due consideration. A year ago I heard an address by Mr. D'Amour, who was at the head of the commercial mission from France that visited Canada and the United States. In that address he dwelt upon this very question of technical education, showing how France had lost and how Britain had lost, against their common competitor Germany, during the last twenty-five or thirty years. I remember very well that he declared that the French Government and the British Government were aware that it is not too soon to give to technical education all the necessary aid and assistance to assure its success. And he added: "The British and the French Governments will not be taken unawares when peace comes, as they were taken unawares when war was declared." Would that not naturally be the motto of a progressive Government? I am glad to perceive by the statesmanlike remarks made this afternoon by the right hon. leader of the House (Sir George Foster) that he will give to this question the attention it deserves. Under these circumstances, and hoping—in fact being absolutely confident—that during the present session a substantial amount will be placed in the Supplementary Estimates to promote the cause of technical education, I accept the amendment of the right hon. gentleman.

Amendment agreed to.

Motion as amended agreed to.

THE CIVIL SERVICE.

EMPLOYMENT OF MEN IN HIGHER OFFICES.

Mr. HERMENEGILDE BOULAY (Rimouski) moved:

That, in the opinion of this House, the Government should decide that in the future, men only shall be employed in all branches of the Civil Service where the salary is $800 or more, and that a Commissioner should be appointed to supervise the work done by the employees in each Department.

Mr. H. BOULAY (translation): Mr. Speaker, this is no new motion; it was placed on the Order Paper last session and seems to me to have taken even more importance by this year. On the 7th of February last, it was once more inserted in the Order Paper and as the months passed it acquired greater import by reason of the constantly increasing cost of living. The

Government, to my mind, should set the example in bettering the position of the small wage-earners; by raising the salaries of the employees in the lower classes of the Civil Service. At present, those salaries are barely sufficient to allow the civil servants to provide for the most pressing needs of their families, and, if the present situation continues will not only entail considerable inconvenience but positive starvation.

The resolution states that it would be expedient to employ no others but men in all branches of the Civil Service where the annual salary is $800 or more. The meaning is that there are at present two distinct classes of government employees, men and women. It is in the ordinary course of things that men be employed in the departments, to perform the brain work and the physical labour as well; but women are on a different footing. These last should be employed only in exceptionally urgent cases, because woman has not been created to take the place of man but to be to him a helpmate. The employment of women is a constant danger and from the standpoint of morality, inadvisable.

No civil servant of the female sex should receive a greater salary than $600 a year. Every additional dollar above even $500 a year is wasted in theater tickets, extravagant dress, pleasure jaunts, and living beyond their station and means. Those ladies in general rival with one another in buying the most expensive dress, the brightest powders and the sweetest perfumes.

The country gets no benefit from what is wasted in paying women excessive salaries; most of them are not ratepayers, contribute nothing to the support of their parents and squander their money uselessly. A great number do not even think of saving anything as a safeguard against accidents, infirmities and old age.

Those young ladies moreover do not seem to consider married life and the bringing up of a family as at all likely and to be reckoned with. Still quite young, they begin to prepare for the Civil Service, discarding all household duties, cooking, housekeeping or anything pertaining to domestic science.

As I see it, Ottawa suffers from two great evils; the theatres and moving pictures is one and the employment of women in the public service is the other.

I am told there is a marked improvement and that the service is not as bad as it used to be; that may be true. But as the whole aim of the young ladies is to study to pass the examinations required for a position in the public departments, they generally neglect everything else. That ambition prevents their acquiring what they should know to become man's companion; the household duties have no attraction for them; they do not wish to marry and educate children as others do and as should be the rule; their only thought is comfortable living and expensive dress, that is, when they remain within bounds. It seems unnecessary that I should have to urge any stronger arguments in favour of my contention; all the members of this House are as familiar with the question as I am; and I trust that there is a strong public opinion behind this resolution.

I have no objection to the employment of a widow who has a family to support; but a voluntary widow, the woman who gets rid of a husband to secure a government job, is not entitled to any consideration.

A few words now concerning the other class of civil servants, the men. I maintain that no man in the Canadian service should receive less than $700 a year if he is a bachelor, or less than $800 a year, if he is married. And a distinction in salary should be made between those two. Every unmarried man should receive $100 less for every thousand dollars salary than he would receive were he married. The higher pay would be an inducement to marry, a kind of reward for those who desire to serve the State in every way. The man who refuses to marry is a society evil unless he has strong reasons to remain single. Not only should he receive less encouragement from the Government but he should be made to pay a special tax.

I hold that $800 is the smallest salary, even initially, which a married man ought to expect, for it is impossible for any one today to support a family on less, no matter how small is the family. Our public servants are entitled to receive an allowance that will put them beyond the reach of starvation and will allow them to give those dependent on them their daily sustenance. I am as much oposed to excessive as to starvation salaries. The difference between the work done by both classes of the service is not so great as to warrant allowing one to live at the expense of the other. My personal experience gathered in the departments is that the highly paid officials are those who work the shorter hours.

When young ladies assert that they cannot live properly on $500 a year, surely the poor fellow who has to support a wife and

children has a grievance. In support of my contention I may read a short statement from a government employee who earns $500 a year; he puts the situation in clear light showing that $50 and even $600 or $700 are not sufficient at the present time to enable him to provide properly for his family. Here is a part of his statement published in a local paper:—

"My salary is $500 a year, and as I had the misfortune of having been ill in the course of the year, I have received much less than that to live with, during twelve months.

I have been wearing the clothes with which I am clothed for three years and I have no better ones, and but for the close care of my wife, who is sewing and patching constantly, you would see me in tatters. Yet those clothes bought on credit three years ago, are not all paid for.

As long as I could get credit, the distress was less cruel, but now the creditors seeing no indication of any rise in my salary, refuse to advance to me any more, and even despair to ever recover what I already owe them. As a consequence, I am forced to beg from my friends, my relatives and my neighbors to make up the deficit in the pressing needs of my household.

I have my old octogenarian parents, to whose existence I am bound to contribute; I am deprived of the possibility to accomplish that sacred duty, and the poor old ones are suffering thereby.

We are often prevented from going to mass on Sunday, owing to the lack of the required fee.

I have to walk an average of fifteen miles every day to attend to my work and I cannot once dispose of five cents to take a car to allay my fatigue.

I cannot, as every citizen is called upon, and is bound to do, contribute to the various relief funds and to other charitable organizations, being myself a beggar; I cannot, in short, fulfill my obligations towards my religion, my family and the community—I am an outcast.

In addition to my duties as messenger, I am compelled to work assiduously as a clerk, but I am not paid one cent for that extra work.

My wife is sick and in constant suffering, since several months, and I can't provide any medical assistance to alleviate her painful condition.

Oftentimes in cases of sickness in my family, the doctor whom I could call without having any ready cash for him, prescribed some medicines that I could not get for want of money, and I still have in my possession several prescriptions not filled, to testify to this assertion."

I then asked this man what would be the monthly cost for the strict necessaries of his family, and here is the synopsis he prepared, and which I found very modest and without exaggeration:—

Rent	$14.00
Fuel	7.50
Groceries	12.00
Meat and fish	10.00
Bread	1.75
Milk	96
Lighting	50
Church	$ 0.50
Payment on furniture	5.00
Sundries	2.00
	$54.21
Monthly salary	41.66
Deficit	$12.55

[Mr. Boulay.]

Now, this messenger has no children going to school, what can be the situation of the one who, with such a salary, has three or four of an age to attend school?

Again, we must not forget the clothing, the shoes, the hats, the doctor and the medicine in case of sickness, and which are not mentioned in the above statement. Alas! If death should happen to strike at such a door, in what distressing condition would that family be situated?

In what sad circumstances would this poor wretch leave his wife and children if he happened to die; his salary being insufficient to enable him to live, he is far less in a position to pay insurance premiums on his life, or contributions to any benefit societies.

And that is, Mr. Editor, the deed of a Government whose mission is to protect its subjects, a Government having established a department to look after the welfare of the working classes in protecting them against the ambition and the injustice of the employers and contractors, and who itself turns a deaf ear to the lamentation and the pressing solicitations of its own functionaries, here in our Capital, in denying them what they have so legitimately the right to claim, their living and nothing else.

What efficient performance of his duties can we expect from a half starved and half clad servant deprived of all indispensable comforts of living? Here I will protest most vigorously, not only in favor of the messenger, but in the name of the whole community, because the country cannot be getting the efficiency in the public service as it would get from well paid men, free of all moral and physical care.

This state of affairs is inconceivable, it is barbarous, and moreover it is a disgrace for the country, and especially when we consider that certain classes of the same service are so liberally paid and live so sumptuously.

Now, come, honorable ministers and members, stop for a moment and reflect, look from the midst of your abundance into that chilly and denuded home of your servant who is giving all his time and all his intellectual and physical energy to the country, and if you have a soul and a conscience susceptible of compassion and equity, you will be eager to do justice and at the same time perform an act of humanity by granting to that neglected portion of civil employees a sufficient stipend to enable them to live and thus bring into the homes of these families relief and happiness, peace and cheer, and you will be praised.

Mr. Boulay continues in French: (translation): I am aware that the Government intends to do something for the employees who earn small salaries; there are too many highly paid officials to maintain in a state of poverty numbers of their fellow-workers. Let us take from the salaries of the women, if necessary even from the

salaries of the higher officials; I do not believe in paying excessive wages. We could dispense with the services of any one who thinks his salary is too low when he gets $4,000 a year; put some one else in his place who will be satisfied with a fair remuneration.

I repeat what I said; those who get the higher pay are those who have less work to do. They reach the office about eleven o'clock in the morning and work only four hours a day. In cutting off from some salaries and adding to others, the Government would be really helping the unfortunate ones who live in hard circumstances and who are after all the real painstaking employees and who give to the country not only their money but very often their life. The highly paid official is not anxious to enlist.

As I said, the Government intends to raise the salaries in the lower classes of the service; well the sooner that is done the better for those employees who have suffered too long already. I know some married men who are paid $650 and who have told me they could not meet their monthly expenditure. The cost of living has abnormally increased especially this year and there is no doubt that those employees should receive at least $800, if not more.

My resolution calls for the appointment of a commissioner to supervise the work done by the employees in the various departments. It may be objected that there is no necessity for such an official as there are supervisors in the different branches of the service. My personal experience enables me to say that much time is wasted; I have seen with my own eyes some officials, with their feet on their desk, reading quietly a newspaper. I hold that the office hours during which they are paid to work should be devoted altogether to the public service; that is my reason for asking that a special commissioner be appointed to go the rounds and supervise the amount of work done by every one of the employees in each department.

I hope my hon. friends who speak another language have understood the plain meaning of my resolution which has reference only to the employment in the departments of ladies at high salaries. I have nothing to say about stenographers and young ladies who are ready to accept small salaries. I speak particularly of those who are receiving wages which would permit a man to support a family. That is the main point of my resolution and I think it should be earnestly supported. I know that I will not have the pleasure of being favourably looked upon by the ladies concerned.

Sir GEORGE FOSTER: You are a married man, are you not?

Mr. BOULAY: I am, but I propose this sincerely and in good faith because I think it is in the interest of our country.

Mr. GRAHAM: What is the Government's policy on this question? I assume that, as the hon. gentleman (Mr. Boulay) has just stated, he is married and is not in the matrimonial market, he has no object to serve by being friendly with the ladies and certainly he does not expect woman suffrage to reach his constituency. Those of us who come from other parts of Canada where the women have been given the right to vote, have altogether a different viewpoint from that of the hon. gentleman. If that viewpoint were not superinduced by any other reason it would be by the fact that a large and highly respected population, which the hon. gentleman wishes to decapitate officially will probably have in the near future the opportunity of marking their ballots for or against the members of this House. As all thinking men are very susceptible to public opinion I take it for granted that no member from the provinces where woman suffrage has been established would think for a moment of supporting my hon. friend in his resolution. The question which he raises as to the ladies taking the places of men would have sounded better some years ago. To-day we have arrived at a situation in Canada, and in various countries of the world, where women are taking the places of men, and I am free to admit that in many instances they are taking them with as great ability as the men have displayed. I would go further and say that in many offices where the business of the country is transacted men will have to brace up or they are going to lose more of their positions. There is no business man who has in his employ ladies in different positions but will agree with me that during the past few years they have risen to such a high eminence in these positions as to make their services almost indispensable. My hon. friend raises another point as to the moral standing but there his argument limps. He argues that the presence of ladies in various public offices is not for the best interest of the country. Then he cripples that rather by saying that the standard will be higher if they are

not allowed to get better wages, that a lady will be all right at $800 but that if she should get $1,200 the temptations would be greater. I take absolutely the opposite view. Then my hon. friend also says that the higher the salary the less the officials work. Consequently he is going to give the high salary to a man and the low salary to a woman, let the woman do all the work and let the man have the high salary and none of the work. There is something in the contention that men with families ought to be given positions and I agree with him if they are fit for the positions. But the time has gone by when a man can sit around and say: You must give me a position because I am a man, if there is a woman in sight to fill that position more efficiently. As to the salary, I am rather of the notion that work should be paid for irrespective of the party who performs the work and if a public office sees fit to engage a lady to perform certain services and she proves efficient, there is no reason under the sun why she should not receive the same salary as the man who performs the same work. I am just simply taking some of the things mentioned by my hon. friend but I would point out to him that he will have to catch up with the procession by the time woman suffrage gets to the province of Quebec or he will find himself without any seat in this House at all. Now, what will the Government's policy be?

Sir GEORGE FOSTER: Mr. Speaker, I suppose that my hon. friend (Mr. Boulay) has accomplished the object which he had in view and which was to call the attention of the Government, the House and the country to the principles of the resolution which he is advocating and, having done that, he probably does not wish to press it to a vote in the House.

Mr. GRAHAM: He is not strong in his position.

Sir GEORGE FOSTER: Whilst my hon. friend (Mr. Boulay) was speaking, I noticed the interested look on the face of my hon. friend from South Renfrew (Mr. Graham) and the idea came to me of asking him to answer the argument of my hon. friend from Rimouski. My intuition proved true and my hon. friend from South Renfrew came to the mark in right gallant style. But I had always had the idea that a Frenchman was the embodiment of gallantry and it really took me quite by surprise that my hon. friend, here, who is a good looking man and a Frenchman, should have had such an heretical opinion in respect to the ladies and especially to the young ladies. That is why I asked him whether he was a married man or not. I wanted to solve that difficulty. But I have another question to put to my hon. friend. The young ladies, he says, spend their money on the toilette, they buy things to make themselves look nice and to keep them warm. What do the men do? If I had a man in my office and he did not keep himself very well dressed and buy things that would make him look respectable, I think I would ask him, for the benefit of the office, to spend a little more on his personal outfit.

My hon. friend, who is not so young as he once was, was once younger than he is now. I wonder if he, in casting his eyes over the young ladies of his locality when he was looking around for a wife, was not a little taken now and then with those who were rigged out nicely, who wore nice hats and nice dresses. I venture to say that if we could go back and analyse these times, a little distant in the past now, we would find that he had an eye for the beautiful in that way just as all Frenchmen that I ever knew anything about have had.

Mr. GRAHAM: I bet he used hair oil, when he had any use for it.

Sir GEORGE FOSTER: My hon. friend (Mr. Boulay) has placed his views before the House. I think I am not stating what is incorrect when I say that the Minister of Finance is cogitating over a measure by which at least the lower grades of the service shall have some addition to their salaries, and when that Bill comes before the House, as I think it will, my hon. friend can advance his arguments to the Minister of Finance. But I am afraid I will have to tell him that he will not get far with the Minister of Finance if he pursues exactly the same line of argument that he has pursued to-night as against the young ladies.

Mr. LAPOINTE (Kamouraska) (translation): Mr. Speaker, I would be untrue to the best traditions of my race were I to leave it to an English-speaking member to enter the lists as the champion of fair ladies who have been subjected to attack by a representative of my own province, the hon. member for Rimouski (Mr. Boulay). My hon. friend is opposed to ladies being employed in the Civil Service. Why draw a line between the government service and the many other fields of activity in this country of ours? In every branch of

industry, in all commercial pursuits, in professional avocations, in the offices of insurance companies, are to be found young girls and ladies employed as stenographers, clerks and accountants; hon. members who belong to the legal fraternity especially will bear me out when I state that women always give entire satisfaction, that they are even looked upon as the most efficient workers. Why then should they be debarred from entering the service of the Dominion Government?

I wish to point out to my hon. friend that most girls do not seek employment to shut out the men. In most cases they are impelled to look for work by pressing conditions. Their situation is not of their own choosing, and many of them, should a man offer marriage, would willingly leave their position to which they cling from sheer necessity.

There are many young ladies who are alone to provide for the support of a widowed mother and younger brothers and sisters, for whose education they also pay out of their salary. Why, I repeat, in the Dominion Civil Service should they be discriminated against any more than in commercial, industrial and professional spheres?

I would, however, feel disposed to support the hon. member on his stand regarding determined bachelors. I do not go the full extent with him and suggest they be dismissed from the service. I am not in favour of taking such drastic action, but if he moves to have them taxed or visited with some other like punishment, I shall not stand in the way of his motion. The hon. member takes a wrong position when he puts the unmarried men on the same footing as the unmarried women of the Civil Service. The men have the choosing of their career and can change it at will; many girls on the other hand would readily take to matrimony if they had the choice.

In a word, I believe the hon. member made a false move when he brought in this resolution and he must now be satisfied that it will not enlist the support of the House or obtain approval in this country. As stated by my hon. friend for South Renfrew (Mr. Graham), women on many occasions proved themselves the equals of men; they are now proving it by the material help they are giving in connection with all the undertakings of the war in Europe and especially in Canada. To my mind, the hon. member for Rimouski's motion is most untimely.

Mr. PROULX: Mr. Speaker, I sympathize with my hon. friend in only one phase of his remarks, that is with reference to the salaries of the lower grade civil servants, especially the married men of those grades. I have said on other occasions that I could not see how it was possible for a man to bring up a family on a salary of $500 or $600 a year, and I am glad that the leader of the House has announced that the Minister of Finance (Sir Thomas White) is contemplating bringing in some legislation in the near future to relieve the situation for the lower grades of the Civil Service. I believe there is too much disparity in the salaries of civil service employees as between the higher and lower grades. There should, of course, be some disparity because the work done by the higher grades is more important and is deserving of better remuneration. But still the salary of any civil servant should be sufficient to provide a living wage, and a man should not be crippled, should not have his family almost starved, because he is in one of the lower grades of the service. I shall say nothing further now, but shall wait until the measure is brought down by the Minister of Finance. I hope he will make sufficient provision in that measure for the lower grades of the Civil Service.

Motion withdrawn.

THE EXPENSE OF PARLIAMENTARY SESSIONS.

Mr. W. B. NORTHRUP (Hastings) moved:—

That, in the opinion of this House, in consideration of the present pressing need for national economy, a Committee of nine Members of this House be appointed, five to be named by the Acting Leader of the Government and four by the Leader of the Opposition, who shall forthwith consider, and during the present session report to this House the total cost, including incidental expenses, of each Session of Parliament, and the best way, if any, of reducing the same, with power to send for persons and papers.

He said: I do not think, Sir, that it is necessary for me to occupy the time of the House at any length in supporting this resolution. In the absence of the Finance Minister I may say that I spoke to him about the matter. He was in accord with the suggestion, and promised, if here, to speak in its favour when it came up.

Without making any charges against anyone, I think that at such a time as this, when thrift is being preached from the housetops, it is well that we should look into the question of whether we can in any

way reduce the expenses of our meetings. Personally, I have a strong suspicion that in half a dozen different directions these expenses might be decreased. I happened to hear in the House the other day an answer to a question with regard to the expenses of Hansard; I merely give that as an illustration. The information given was that Hansard cost the country about $76,000 a year, the translation costing $36,000. I am sure that it is possible in some way to reduce such an expenditure as that. Without going into details which are well known to every member of the House, I beg to submit this motion in the hope that the House will see fit to take this means of securing what has been so much clamoured for throughout the country—economy—in our national expenditure.

Hon. RODOLPHE LEMIEUX: I think we all agree that the motive behind this motion is a worthy one, and for my part I would not object, being an old member of the House, to acting as a member of that committee with a view to shortening, if possible, the length of the session, which is admittedly too long. I am quite sure that my hon. friend has not in mind the curtailing of the privileges enjoyed by those of us in the House who speak in the French language. There is nothing in his motion which suggests that the outcome of any such investigation as is proposed will be the curtailment of the privilege of the minority to use the French language and to have the translation of the official documents and of Hansard. I have noticed in the press some apprehension that the House might, in its wisdom, decide to do away with the translation and with some of the official documents. With the understanding that this will not be the case, I heartily support my hon. friend's motion.

As regards Hansard, I do not know how we could do without it, though it might be possible to do away entirely with the reporting of the committee stage of the House, having only the main discussions, the debate on the Budget, for instance, reported. In that way you would reduce materially the size of Hansard and make it a little more accessible even to those who have contributed to the filling of its pages.

I wish to add this with regard to Hansard. I have had some experience in various countries, and I believe that when you compare our Hansard with the English Hansard and with the Congressional Record which contains the reports of the proceedings in the United States House of Representatives, and the official report of the debates in the French Chamber of Deputies, you will realize that we have a staff which can compare with that of any parliament in the world. But I am free to admit that the report is far too bulky and that it could be materially reduced in size, in the best interest of the country. Some of the blue-books, too, might be reduced in size. I pay this compliment to the King's Printer, Mr. J. de la Broquerie Taché, a gentleman whom I heartily recommended a few years ago as successor to the late Mr. Parmelee. I believe that Mr. Taché, and his assistant, Mr. Cook, have of late accomplished a very important reform. As you are aware, in former years a copy of each blue-book issued was addressed to each member of the House of Commons. Many of these blue-books, which were costly, did not reach the members to whom they were addressed, or were not regarded as being very important. Many were neglected and, perhaps, finally sent to the waste-basket. Two years ago, Mr. Taché and Mr. Cook decided that upon the issuance of each blue-book a card should be sent to each member stating that the blue-book was available and that it would be forwarded upon application by the member. I think that was a very good reform, and it has worked wonderful results. Many members did not wish to have some of the reports which were issued by the King's Printer, and by the adoption of the new system the Government has saved a large amount of money. I dare say that other reforms of a similar nature could be made, in the matter of stationery, etc. On the whole, I think that my hon. friend is quite right in moving for the appointment of a committee to look into this matter. In these war times it is a worthy object to endeavour to decrease the cost of administration by reducing as much as possible the expense incurred in carrying on the affairs of this House.

Sir GEORGE FOSTER: Mr. Speaker, so far as this resolution goes, I think I may say for the Government that not only have they no objection to it, but they will be under an obligation to the hon. gentlemen who will form the committee, if that committee will devote a portion of their valuable time to the work and give us the result of their deliberations and investigations. The figure that was named to-night by my hon. friend who proposed the resolution is certainly somewhat startling, and I have not the least doubt in the world that if the

committee, when appointed, set themselves to work, they will be able to find ways and means by which the efficiency of this House will not be diminished, but the cost of carrying it on, which now amounts to such a large figure, may be very materially reduced. I do not wish to debate the question.

Motion agreed to.

PARCELS FOR SOLDIERS OVERSEAS.

COMPLAINT AS TO THE RATE OF POSTAGE.

On the Orders of the Day:

Hon. RODOLPHE LEMIEUX: Might I call the attention of the Government to a matter which is of the utmost interest to the families of our soldiers. I have received this letter from a gentleman in Montreal whose son is at the front, and who is well known in public life as an advocate of land reform. I refer to Mr. Henry Timmis.

Westmount, 7th April, 1917.

My dear Mr. Lemieux,—

A matter which I should like to see you bring to the attention of the House is that of postage on parcels going to our men in England and France. By merest coincidence, the son of the woman who does char work around our house is in the same battery as our boy, the 79th. Since her boy enlisted, her husband's health has broken down, her daughter has become an invalid, and so it has become necessary for her to work out two or three days each week for $1.50 per day. It is her custom to send over a box of comforts to her boy each week or two. On some occasions the postage on these packages at the rate of 12c per pound amounts to nearly a dollar. If parcels were carried absolutely free there might be a disposition to send over unnecessary articles, but surely the charges should be reduced by two-thirds.

I wish my right hon. friend would take up this question with his colleagues, because there is a hue and cry throughout the country against this rate of 12c. per pound upon parcels sent to our soldiers abroad. If my hon. friend will tackle this postal rate with his usual acumen and with his good heart, he will certainly receive the blessing of thousands of mothers, wives and sisters, who cannot afford to pay such a high rate of postage for sending comforts to their sons, husbands or brothers, or even sweethearts, on the other side.

Sir GEORGE FOSTER: I shall be very glad to call the attention of the Postmaster General and of the Minister of Militia to the matter, and consult with them in regard to it.

THE CANADA TEMPERANCE ACT.

PROPOSED REPEAL IN NEW BRUNSWICK.

On the Orders of the Day:

Mr. F. B. CARVELL (Carleton, N.B.): I wish to call the attention of the right hon. gentleman who is leading the House this evening to a matter which I know will interest him. I wish to ask him if the Government will not consider the passing of a Bill to repeal the Canada Temperance Act in those eight counties in New Brunswick in which it is in force. I could introduce a Bill myself to that effect, but, of course, at this stage of the session it would never reach a point where it would be discussed. A year ago the legislature of New Brunswick passed a prohibitory law very much after the lines of the Manitoba and Ontario Acts, and it became effective on the first day of May of this year. There are eight counties in which the Canada Temperance Act is in force, and for its repeal the law requires a petition to be signed by twenty-five per cent of the ratepayers; then this Government orders an election to be held, and if a majority of the electors vote in favour of a repeal of the Act the Act is repealed; but that entails a great deal of time and expense, and I believe that it would be well received in the province and would not do violence to any principle if this Parliament should repeal the Act so far as those eight counties are concerned. I therefore throw out that suggestion to the right hon. gentleman and ask him if he will not consider the matter, and, if he thinks advisable, if he will not take the necessary steps to pass the required legislation.

Sir GEORGE FOSTER: I have had my attention drawn to this matter before, but it has always seemed to me that there are two difficulties in the way. In the first place, the Canada Temperance Act goes into force by virtue of the people's own vote upon it; they call for a vote under certain forms and they get it. It is the action of the people themselves and not of the Government, and therefore, it is a question of some importance to know whether, if the Government arbitrarily undertook, by passing an Act, to get rid of the law and repeal it, they would be acting in conformity with the wishes of a majority of the people in the county or electoral district that had taken steps to put the Act into force. In the second place the law in New Brunswick, for instance, I suppose

supersedes in Scott Act counties, the Ssott Act provisions.

Mr. CARVELL: No, that is just the difficulty. It does not.

Sir GEORGE FOSTER: Then the situation is this: in those eight counties in the province of New Brunswick the provincial law has no force owing to the Canada Temperance Act being in force there, but I suppose the provincial law is of some assistance in enforcing the other Act.

Mr. CARVELL: No, it is entirely neutral

Sir GEORGE FOSTER: That remark of mine then may be left for what it is worth and it does not seem to be worth very much, so far as that is concerned. This, however, may take place—it may be possible that the New Brunswick law, having been enacted by the New Brunswick Legislature can as easily be repealed, and then the Scott Act would remain and would be for the use of the people of those counties. There is a method by which the people themselves can get rid of the Act if they wish to come under the provincial law. It takes some trouble and it takes some expense, but in that way we should know it was the wish of the people themselves. That has been the consideration that has always come up when this question has been discussed before.

Mr. CARVELL: There is something in what the right hon. gentleman says, that in these eight counties this particular law was brought into force by the votes of the people, but he should not forget the fact that the prohibitory law was brought into force by the representatives of these counties. Therefore it is fair to assume that the votes of the people through their representatives enacted a law which they would like to have supersede the Canada Temperance Act, but unfortunately, as the Canada Temperance Act is in force by virtue of an Act of this Parliament, they have no power to repeal it.

Sir GEORGE FOSTER: That consideration goes a certain distance. It would be quite possible for prominent men in a county to form themselves into a committee calling for the enactment of the New Brunswick law, for instance, and yet they might not represent a majority of the county. When the voice of the people has been legally expressed, you have no right to say that that voice does not still prevail until the people themselves take the legal methods of informing Parliament and the country that they now wish otherwise. On the other hand, this matter is before the Government and we shall certainly give it our consideration. If there should be some strong expression of opinion from these counties that would convince the Government that they really wanted to get rid of the old law and come under the new, the difficulty would be practically eliminated.

[Sir George Foster.]

CHANGES IN THE UNITED STATES TARIFF.

On the Orders of the Day:

Mr. E. M. MACDONALD (Pictou): In view of the fact that the Committee of Ways and Means in Congress has reported a Bill proposing to raise the general tariff of the United States by 10 per cent, and to impose a duty of 10 per cent on all items in the free list, it is a matter of importance for Canada to ascertain as soon as possible whether this provision will apply to free wheat, for instance, and the other ramifications of that proposal. Has the Minister of Trade and Commerce any information on that?

Sir GEORGE FOSTER: As my hon. friend knows, the process of law-making in Congress is different from our process. I should judge from the newspaper reports that this is a recommendation of the Committee of Ways and Means to the House. The legislation, of course, will not be completed until it receives the approval of the House.

Mr. MACDONALD: Does my hon. friend know any more about the proposal than what is contained in the newspaper reports?

Sir GEORGE FOSTER: No, but as soon as the Bill goes through copies will be sent here.

Mr. MACDONALD: Perhaps the Minister of Finance, who is in Washington, could ascertain exactly what it is proposed to do.

Sir GEORGE FOSTER: It will be easy to find out what the proposal is, and I will act on my hon. friend's suggestion.

On the motion of sir George Foster, the House ajourned at 10.30 p.m.

Thursday, May 10, 1917.

The House met at Three o'clock, the Deputy Speaker, Mr. J. H. Rainville, in the Chair.

QUESTIONS.

(Questions answered orally are indicated by an asterisk.)

AUSTRO-GERMANS IN WESTERN PROVINCES.

Mr. CURRIE:

What are the figures of the population, according to the latest census, of Austro-German origin in each of the new Federal constituencies in the Provinces of Manitoba, Saskatchewan, Alberta and British Columbia?

Sir GEORGE FOSTER: I think it has already been stated that these figures are not made up, and it may be some considerable time before they are available. The enumeration is going on. I think this question might drop, and I will see to it that the information is brought down as soon as we get it.

Question dropped.

GRAIN GRADING—SEALS ON CARS.

*Mr. TURRIFF:

1. Is the Government aware that up to 1914, grain commission firms had the right to be present at the grading of all grains consigned to their order, but since that date the railway companies refuse to allow any but official graders in their yards?

2. Since the above date elevator companies have ceased to use the car seals provided by the railway companies and instead use seals with their names embossed on them, thus identifying their cars from those shipped by farmers.

3. Is it the intention of the Government to remedy this unsatisfactory state of affairs?

Sir GEORGE FOSTER:

1. No grain commission firms are present at the grading of grain, that being done in the inspectors' offices in Winnipeg and Fort William, and the inspectors do not know who the owners are. If the sampling of cars is inferred, the Board of Grain Commissioners state they are not aware that grain commission firms had the right to sample cars consigned to their order in the yards.

2. The Chief Grain Inspector reports that grain firms are using their own seals at places only where there are no railway agents.

3. The matter is one which does not come under the administration of the Canada Grain Act, but is a question for consideration of the railway companies.

MAJOR J. C. MILSOM.

Mr. DEVLIN:

1. Were there any defalcations by Major G. C. Milsom, assistant director of supplies and transport at Camp Borden?

2. If so, what was the amount?

3. Has any portion or all of it been recovered by the Government?

Sir EDWARD KEMP:

1, 2 and 3. This matter has been investigated by a Military Court of Inquiry, and, as the proceedings of the court have not yet been completed, it is not considered advisable to answer these questions at the present moment.

MAJOR REV. A. H. MOORE.

Mr. VERVILLE:

1. Is Major Rev. A. H. Moore, of St. Johns, Quebec, in the employ of the Department of Militia at the present time?

2. If not, was he at any time since the beginning of the war in the employ of the said department

3. If so, (a) in what capacity, and (b) what salary did he receive?

4. Did he, while in the employ of the department, receive any amount from the Government in addition to his salary, for travelling expenses, separation allowance, etc.?

5. If so, how much?

Sir EDWARD KEMP:

1. No.

2. Yes.

3. (a)Chaplain at Valcartier Camp, 1916. (b) $6.50 per diem, 18th July to 12th October, 1915.

4 and 5. Yes. Expenses, $250.37; no separation allowance.

MR. HUGH LOCKHART.

Mr. TURRIFF:

1. Is Mr. Hugh Lockhart of Emmaville, Saskatchewan, still employed as a fire ranger?

2. If not, when did his services cease?

3. Is Daniel Anderson of North Battleford, still employed as homestead inspector?

4. If not, when did his services cease?

Mr. ROCHE:

1. No.

2. 11th January, 1917.

3. Yes.

4. Answered by No. 3.

ROSS RILFE FACTORY—VALUATORS.

*Mr. MURPHY:

Referring to the Order in Council of March 23, 1917, providing for the taking over by the Government of the Ross rifle factory and business, what are the names and addresses of the competent valuators referred to in the following paragraph thereof:—

"The minister further recommends in view of the inventories, expert valuations and reports which have been obtained from competent valuators, and which are separately submitted for consideration, that the total compensation to be fixed, ascertained and allowed for or in respect of the premises taken, having due regard to the principles or method of computation and ascertainment hereinbefore recommended, shall be fixed in the execution of the powers vested in Your Excellency in Council at the maximum limit of three millions of dollars, which under no circumstances shall be exceeded."

Sir EDWARD KEMP: The Canadian Appraisal Company, Hospital street, Montreal.

TRANSCONTINENTAL RAILWAY.

REMOVAL OF RAILS FOR USE IN FRANCE.

On the Orders of the Day:

Sir WILFRID LAURIER: Can the Government give me an answer to-day to the question I asked yesterday as to authority for the removal of rails from the Transcontinental railway and their shipment to France?

Mr. MEIGHEN: I have laid on the table of the House the Order in Council relating to this matter. I intimated to the right hon. the leader of the Opposition (Sir Wilfrid Laurier) yesterday that I thought the whole of the 300 miles that were to be shipped overseas in the form of rails would be taken from the Grand Trunk Pacific west of Edmonton. I am informed that the amount provided to be taken so far from there is only in the neighbourhood of 218 miles. As to the balance of the 300 miles, I do not think it has been decided where the rails should come from.

WESTERN COAL MINING.

On the Orders of the Day:

Mr. W. A. BUCHANAN (Medicine Hat): I desire to ask the Minister of Labour if there is any recent information from the coal-mining districts of Alberta and British Columbia, regarding the operation of the mines. I notice in the Montreal Gazette of this morning a statement to the effect that the operators had wired the minister asking him to take some action to keep the mines in operation. I take that to mean that the proposed agreement between the men and the operators has not been accepted by the men, and that the mines in that district are closed. I would like a statement on the matter.

Hon. W. T. CROTHERS (Minister of Labour): My hon. friend (Mr. Buchanan) is quite right in his understanding that the agreement entered into between the operators and the representatives of the men, was not accepted by the men on the vote begun a few days ago. I do not think the voting is quite finished yet, but a sufficient number had voted to make it almost certain that the agreement would be rejected. So satisfied of that were the leaders of the men that they called a meeting of the representatives of the local unions in the district, to be held in Calgary to-night, with a view to determining what course they will now take. I am in hopes that they will determine to-night to return to work. I do not think it is quite correct to say that they are all out, but most of the miners had quit work. I think there were some working in three or four mines.

CANTEENS IN CANADIAN CAMPS IN ENGLAND.

On the Orders of the Day:

Mr. E. M. MACDONALD (Pictou): Mr. Speaker, some time ago, I asked the hon. Minister of Militia and Defence (Sir Edward Kemp) to give me some information as to the arrangement that is in existence with respect to the canteens in the Canadian camps in England. The statement was made by the ex-minister that they are not there under the direction of the Canadian authorities but by reason of an arrangement made by the British authorities. The minister promised to give us that information and I think it is about time that we had it.

Sir EDWARD KEMP: I have no doubt that the report which I asked for by cable, and which is to come by mail, will have the prompt attention of the overseas authorities but it has not reached me yet.

Mr. MACDONALD: Has the minister any information in the department here in regard to this matter, or is the whole thing entirely run by the Minister of Militia overseas.

Sir EDWARD KEMP: All the information that is in the department has been given to the House.

Mr. MACDONALD: When?

Sir EDWARD KEMP: At the time the question was asked a few days ago.

Mr. MACDONALD: Not in reference to the matter to which I was directing special attention, namely, the arrangement by which these canteens are permitted to exist in Canadian camps under the direction of contractors who have nothing to do with the Canadian Government. On that phase of the question the minister might have something in his office here.

Sir EDWARD KEMP: Yes.

Mr. MACDONALD: If he has, will he look into it and bring it down without waiting for the report?

Sir EDWARD KEMP: I did not understand that that was the question that my

hon. friend asked me a few days ago. I thought it was in regard to the question of wet or dry canteens. If the hon. gentleman will look it up I think that he will find that his question was as to whether these were wet or dry canteens.

Mr. MACDONALD: Not at all.

Sir EDWARD KEMP: As I understand now, he desires information as to the commercial, or financial arrangements with respect to the carrying on of the system of canteens in England. I will find out what information is to be had in the department on that subject.

Mr. MACDONALD: My hon. friend remembers that I put a question on the Order Paper with regard to the reason why these canteens are permitted to remain in Canadian camps without any authority from the Canadian Government. The minister answered two of the questions and in reference to the other two he said that he would get the information from England.

Sir EDWARD KEMP: I will look the matter up.

Mr. MACDONALD: The minister must surely have some information in the department here as well, and if so I would ask him if he would bring it down.

Sir EDWARD KEMP: Yes.

TAX ON FOREIGNERS ENTERING UNITED STATES.

On the Orders of the Day:

Mr. PIUS MICHAUD (Victoria, N.B.): I wish to ask the Minister of Trade and Commerce, who is just back from the United States, if he has any information to give in reference to the head tax of $8 imposed by the United States on all Canadians who go across the boundary line.

Sir GEORGE FOSTER: I can say to my hon. friend (Mr. Michaud) that I was not called upon to pay a head tax when I went in. I will refer my hon. friend for his answer to my hon. friend the Minister of the Interior, in whose department the matter is.

Mr. MICHAUD: I understood the minister was to bring us some information from Washington on his return.

Sir GEORGE FOSTER: I suppose my hon. friend has a copy of the Act. It gives all the information as far as the law is concerned. Then, I would be very glad to give him a copy of the regulations. I have an extra copy, and I think he will be able to satisfy himself as to the regulations. If he wishes any more information I will be glad to implement it if I can.

THE BUDGET.

DEBATE ON ANNUAL STATEMENT OF THE MINISTER OF FINANCE.

The consideration of the proposed motion of Sir Thomas White (Minister of Finance) for the Committee of Ways and Means, and the amendment of Mr. Turriff thereto, was resumed from Tuesday, May 8.

Hon. T. W. CROTHERS (Minister of Labour): Mr. Speaker, I am reluctant to take any part in prolonging this debate, which, as I view it, has already become unwarrantably protracted. We are now in the third week of this discussion of the Budget, which, it seems to me, should have been disposed of in as many days. I believe that the people of this country have the conviction that we are spending a great deal of time in talking which could be better employed in doing. The times call for deeds rather than words. While of our best and bravest thousands are falling weekly in a great and noble cause, while the destinies of mankind are trembling in the balance, two hundred of us here are talking about matters that have no relation to the war, and are of the most trifling importance compared with the herculean task which calls upon us for our best and undivided attention. Questions by the hundred and motions by the score are placed upon the Order Paper, questions and motions that have no relation whatever to the war. I think it would be well to give the public a sample of a few of these questions and motions. I take one which was placed on the Order Paper on the 20th of April:

1. How many permanent civil servants or officials were in the employ of the Department of Militia and Defence on the 10th day of October, 1911, and how many on the 31st of March, 1917?

2. How many temporary civil servants and employees of all kinds were in the employ of the said Department on the 10th day of October, 1911, and how many on the 31st of March, 1917?

3. How many permanent civil servants or officials were appointed by said Department since the 1st of August, 1914?

4. How many temporary civil servants and employees were employed by said Department since August 1, 1914?

5. What was the gross amount paid by said Department for salaries and expenses to both permanent and temporary civil servants and employees for the fiscal year ending March 31, 1914?

6. What was the gross amount paid by said Department for salaries and expenses of all permanent and temporary civil servants and employees for the fiscal year ending March 31, 1917?

7. How many civil servants were appointed by said Department since October 10, 1911, under the provisions of Section 21 of the Civil Service Act?

Seven questions in one. That is just one question of thirty questions, in about the same words, that have been placed upon the Order Paper for each of the twenty departments of Government here at Ottawa. Here is another, a little shorter:—

May 1—1. What number of names has the National Service Commission received in answer to cards sent out?

2. How many of these names are classified as military, agricultural, shipbuilding, and munitions prospects, respectively?

3. How many are engaged in work that is regarded as non-essential in war time?

Here is another one:—

April 27—1. How many persons have been appointed to permanent positions on the Canadian Government railways from January 1, 1916, to March 31, 1917, who were not previously employed on the said railway?

2. What are their names, their salaries and the positions to which they were appointed?

That question might have been amplified a little and a little further information elicited if the hon. gentleman who put it had asked whether each of these men had hair on his head or not, and if so whether it was red or black. Here is another sample:—

May 1—For a copy of all letters, petitions, telegrams and other papers or documents in possession of the Government relating to the dismissal of ———— and the appointment of his successor.

That relates to a position of which the salary is insignificant, and the place concerned is an obscure hamlet. Here is another:—

May 8—For a copy of all letters, reports, communications and documents passing between the Minister of Labour and the Department of Labour and the officials of District No. 18, United Mine Workers of Alberta, and the officials of the Alberta and Eastern British Columbia Coal Operators' Association, concerning the requests made by the miners for an increase in wages due to the increase in the cost of living, between September 1, 1916, and the present time.

I notice a new one to-day:—

1. Who is the Indian agent of the Indian Reserve at Bear River, N.S.?

2. When was he appointed, at what salary per year, and what are his duties?

3. Has he any authority for disposing of wood, piling and logs on said reserve?

4. Has he authority to allow outside persons to cut and take wood off the reserve?

5. Has any wood been taken off this reserve in the last five years by any persons other than Indians? If so, by whose authority?

6. Has any work, including repairs, been done to any and all buildings on the reserve during the last five years?

7. If so, what are the names of all persons who have performed said work, the amounts paid to them, and the dates on which respective amounts were paid?

8. Is the Indian agent allowed to do carpenter work or any other kind of work on reserve and charge for same over and above his salary?

9. If so, has the Indian agent performed any such work?

10. If so, what is the character of said work, dates on which same was performed, and the respective amounts charged?

11. Were any orders given by agent to Indians during period from October, 1911, to May, 1917?

12. If so, what were the names of Indians, and dates and amounts of said orders?

13. What were the names of Indian doctors on this reserve from October, 1911, to May, 1917, when were they appointed, and at what salary?

14. If not on salary, what rate of pay did they receive?

Just one more:—

1. Has the Minister of Militia or any of the authorities of the Militia Department, official statistics as to the recruiting of soldiers in Canada for overseas service?

2. If so, what are the correct figures of enlistments in the different overseas regiments raised since August, 1914, to date: (a) Canadians speaking the French language; (b) Canadians speaking the English language and born in Canada; (c) British subjects by birth born outside of Canada; (d) British subjects by naturalization; (e) French Canadian soldiers in regiments commanded by officers speaking the English language raised in the Province of Quebec; and (f) French Canadian soldiers in battalions raised in the other provinces of Canada?

These questions, as I said, come in to us by the hundred, motions by the score, paralyzing the ordinary work of the clerks in the various departments, because it takes weeks, and in some cases months, to copy out all these vast returns, and perhaps it is not an exaggeration to say that in nine cases out of ten, after all this work has been performed, the returns are thrown into the waste basket—and this at a time when the destinies of mankind are trembling in the balance. What has proportional representation or the reform of the Senate to do with the great war in which we are engaged? Yet we spent two days on those topics. Do hon. members realize that there are two hundred of us in this House, and that a day misspent—and we have had lots of them, talking about academic questions that have no relation whatever to the war—I ask do we realize that one day misspent means two hundred days' work of the 200 members of

this House lost to this country? Why, Mr. Speaker, a friendly stranger unfamiliar with party traditions, looking down upon us from the gallery, might be pardoned if he reached the erroneous conclusion that there are men more anxious to win the treasury benches than to win the war.

I would not at this stage say one word were it not that sneering references to and groundless accusations against the administration of the department over which I have the honour to preside have been made in this House. At this time, when the good offices of the department are sought daily from all directions, such vulgar sneers and false accusations only tend to frustrate the efforts so successfully exerted before, as since, the commencement of the war. Had such references and accusations and insinuations been limited to the hon. members for Richmond (Mr. Kyte), Assiniboia (Mr. Turriff), Moosejaw (Mr. Knowles), and West Kent (Mr. McCoig), I would not have paid the slightest attention to them. I would not have considered them worth noticing, because I believe that they would have no more influence without this House than they have within it. But when a member of the standing of the junior member for Halifax (Mr. A. K. Maclean), without cause or knowledge of the facts, so far forgets the dignity of his position as to impute dishonesty and lack of integrity, I cannot permit him to escape without a protest, even at the expense of a little of the valuable time of this House. On many subjects the junior member for Halifax is well informed, and he is generally regarded as being as fair as the ethics and discipline of the Opposition permit. Certain it is that the hon. junior member for Halifax has not the faintest knowledge of the activities of the Department of Labour and his guilt lies in indulging in wanton and ignoble criticism in profound ignorance of the facts. His legal training, anything like common fairness, and a reasonable regard for justice and for the rights of others, should have prompted him to seek the truth before making such sweeping and insulting imputations. Let me, Mr. Speaker, give the junior member for Halifax and his three or four partners in guilt a little light concerning the workings of the Labour Department.

During the last five years there has been no advertising branch in the Labour Department. We choose rather to do our work as promptly, efficiently and unostentatiously as possible, leaving the results to speak for themselves. I have no intent or desire to criticise adversely my predecessor in the office which I have the honour to hold. He had and I have a most difficult task to perform, perhaps the most difficult and most trying of any department of the Government. I wish to show, therefore, by referring to some of the things that have been done in the Department of Labour, that we rather do things than advertise things. I repeat that but for these insulting imputations I would not have taken up a moment of the time of the House, because I do not think that such a course would have been justified.

What has been the record of the Labour Department during the last five years? Before I was placed in charge of the department some complaints had been made of alleged delays in establishing boards of conciliation after application had been received for such boards. I at once gave instructions that there should be no unnecessary delays, with the result that in the first year the average number of days elapsing between the receipt of application and the establishment of a board was reduced from 15 to 7. During the first year that I had the honour of presiding over the Labour Department we appointed several additional men known as fair wage officers—although their work has relation, to a very large extent, to matters other than that of fair wages. I was satisfied that it would be to the advantage of the Government and to the country if we had a larger number of these men stationed at different points throughout Canada. In 1911 we had but two, whose headquarters were in Ottawa. Labour disturbances often come up suddenly, the first thing you hear of the trouble being a telegram saying: we are going to strike to-morrow. If, therefore, we had to send a man all the way from Ottawa to Vancouver or to Sydney to deal with trouble which had suddenly arisen, very serious difficulties might develop before he could reach the ground. I therefore sent a man—a very good man indeed—to Vancouver, which he has made his headquarters ever since. His work has been most satisfactory. He has been on the ground; he has been in a position to be aware of the first intimation of any labour trouble and to go at once to see the employers and the employees. It is no exaggeration to say that during the last five years his presence there has prevented dozens of labour disturbances which would otherwise have developed in very serious manner. I appointed

another man whose headquarters were at Saskatoon, another at Winnipeg and one more here, so that there were six in all—one or two dropped out and I have not yet filled their places. The result of this course was that during the first year that we were in power the number of days lost by wage-earners was reduced by nearly a million. What did that mean to the wage-earners of Canada? Taking it at the low sum of $2 a day, it meant that the wage-earners received in wages $2,000,000 more than they would have received but for our special efforts to keep them at work as much of the time as possible. It might be said that there were some peculiar circumstances connected with that year and that one ought to examine the conditions during a longer period of time. I have done that. I have taken the last four years when our opponents were in power and the first five years since we came into power, and I find that during the latter period of five years the average number of days lost by reason of strikes or lock-outs has been nearly half a million less than the average number during the four years preceding the time that we came into power. At $2 a day, you have $4,000,000, which, with the $2,000,000 I have mentioned, makes $6,000,000 which has been saved to the wage-earners of Canada by reason of our endeavours to see that they were kept at work as much of the time as possible. During the past five years we have had a number of insignificant strikes, but just one serious strike. Hon. gentlemen will remember that in the year 1909, before the people had an opportunity of smiling upon us benignly, there was in Nova Scotia a strike which continued for twenty-two months. Much rioting occurred and the militia had to be called out and stationed at different points to restore and maintain order. I am not blaming any one for what took place; I am only stating the facts. In 1903, a strike occurred in the West in district No. 18, comprising the mines in the southeastern part of British Columbia and the southwestern part of Alberta. Strikes also occurred there in 1906, 1909 and 1911, the one in 1909 continuing five months, and the one in 1911 eight months. Shortly after October, 1911, however, an agreement was entered into to continue from the 31st of March, 1912, for three years; that agreement providing special means for determining any differences which might arise during that period between the operators and the miners. During those three years we had no difficulties whatever in district No. 18. In March 1915, prior to the expiration of that agreement, in order that there might be no cessation of work at the expiration of it, we succeeded in securing another agreement to continue for two years from the 31st of March 1915, that agreement also containing a proviso for settling any material differences that might arise during its life. That agreement worked with perfect satisfaction, just as the previous one had for three years, until July last, since which time there has been some unrest in that district. The miners thought, in the circumstances, especially owing to the rapid advance in the cost of living, that they ought to be paid what they called a war bonus, in addition to the wages provided for in the agreement of 1915. They insisted upon that, probably owing to the fact that a somewhat similar war bonus was given to the miners in Wales after the war broke out. The operators assented to that demand and the men continued to work under that arrangement and a subsequent one until a short time ago. That arrangement also provided that 30 days before the expiration of the agreement, that is about the 1st of March, 1917, the operators and miners should get together again with a view of negotiating a new agreement to become effective on the first of April of this year. They did meet and spent three weeks at Calgary negotiating, and they finally reached an agreement that was satisfactory to the representatives of the men and also to the operators. Under the constitution of the United Mine Workers of America—the organization to which the majority of the miners belong—before any such agreement made by their representatives can become effective, it must be referred to the miners themselves and a vote taken upon it. That, accordingly, was done, with the result that I mentioned this afternoon to my hon. friend from Lethbridge (Mr. Buchanan), namely, that the miners refused to accept the agreement. The men are holding a meeting to-night, and I hope they may arrange a modus vivendi so that operations may go forward.

One sometimes hears it said that the labour laws of Australia are far in advance of ours, and I wish to say a word for the Industrial Disputes Investigation Act. Although that Act is not a child of mine, I have never lost an opportunity of giving credit to those who succeeded in getting that Act placed upon the statute books of Canada. I believe the principle involved in it is good, and I am sure that it has been the

means of preventing large numbers of strikes. Just let me give an instance. Last Monday a large employer in one of our largest cities came to see me and told me that his men were all going out on strike on Tuesday. In two other large munition factories in the same large city a similar condition existed . I at once sent a wire to a leader of the labouring people in that city, with whom I have always been very friendly, stating: " Have the men continue work and have them apply for a Board of Conciliation under the Industrial Disputes Investigation Act." Hon. gentlemen, of course, know that since the outbreak of the war we extended, by an Order in Council, the provisions of the Industrial Disputes Investigation Act, so as to take in all enterprises and factories making munitions of any kind for our own army or that of Great Britain, or that of any of the Allies. I asked him to visit the three different shops, see the men and the operators and use his influence to endeavour to have the men continue to work, and apply for a Board of Conciliation. He acknowledged my telegram at once and said that he would be glad to do what he could. Last night I received another message from him, in which he said:—

The men have decided to continue work and apply for a Board of Conciliation and to wait until an award is made them.

That is just one illustration. This Act has saved the wage-earners of this country millions and millions of dollars; it has maintained industrial peace in scores of cases where very serious troubles would have developed but for the provisions of that or some similar Act.

We have had, as I have already stated, but one serious strike during the last five years, and that was not in any way attributable to any want of diligence or want of effort on the part of the Department of Labour. Australia, with all her drastic labour legislation, with a population of 5,000,000, had 330 strikes and lock-outs last year, whereas in Canada we had only 75, and the year before only 40. In the United States, with about twelve times our population, there were 3,300 strikes and lockouts last year. In proportion to our population they should have had 800 or 900; we had only 75.

Some hon. gentlemen have said—the hon. member for Saskatoon mentioned it the other night—that there have been a few cases where employers have not carried out the awards made by these boards. That is true, but such cases have been very few. When I was placed in charge of the Labour Department early in October, 1911, there was an outstanding difficulty between the conductors and the management of the Grand Trunk Railway Company. If I remember aright the award had already been made by the board, and the company had refused to carry it out. The difficulty was finally settled by an agreement made in the month of July, 1910, whereby the company over the signature of its general manager agreed to reinstate within ninety days all the conductors who had been on strike but had not been guilty of any violation of the law, and to pay all the men who had been on strike and the non-striking conductors as well an increase in wages to date from the 1st of May, 1910. I found that a number of these men had not been reinstated under the terms of the agreement, and I took the matter up with the company. The Grand Trunk appointed a county court judge of the province of Ontario, before this Government came into power, I think, to inquire into the case of the striking conductors who had not been reinstated, and he found that there were 130 conductors who had been guilty of no violation of the law and were therefore entitled under the terms of the agreement to be reinstated. Notwithstanding that, the company refused to take these men back. I went personally and saw the general manager, but he would not take them back. I told him that the company would not get any concessions from this Parliament, if I could prevent it, until these men were re-instated. A few days afterwards his representative had a couple of Bills in which the company was specially interested before the Railway Committee, and I asked the committee not to approve of them until the company had reinstated these men. The result was that the company reinstated every man who wanted to go back, and paid every one who was entitled to it his back pay. Ask the labour men of Canada whether the Labour Department has been administered during the last four years in their interests or not, and see what they will tell you—those who know about it, I mean, and not those who are more concerned about politics than the interests of the working people of this country.

4 p.m.

There was a case not long ago where a unanimous award was made by a Board of Conciliation. The representative of the railway company, a railway man of long experience, agreed with the other two on

the board that the men should do so and so, and the company so and so; but the company refused to carry out the award. One of their high officials came to see me and said that it was impossible for them to carry out the award. I said, "I won't argue the matter with you, because I do not know anything about it except that the experienced railway man your company chose as your representative on the board agreed with the other two members that you should do so and so, and you are stopped for refusing to do it." Well, he went home and issued a printed circular setting out a great many reasons why the award could not be carried out. When I saw a copy of it, I said to the company, "You will probably be asking Parliament for something in the future. I shall find it very difficult to give you my support unless you carry out that award." The very next day I received a wire to say, "We have adopted the award."

I will not detain the House by giving other cases where we have used all the influence we possess to get these awards carried out. In many cases we can use no direct influence. Every hon. member knows that we have no legal means of enforcing these awards. They have tried that sort of thing in Australia, and the result has been that last year they had 330 strikes and lockouts with a population of 5,000,000, as against 75 strikes in Canada with a population of 8,000,000.

As I have already stated, we now have six fair wage officers. We have also appointed a number of female correspondents to the Labour Gazette; we have greatly improved the Labour Gazette, as every hon. member who reads it must have noticed. We have had prepared several very important new reports concerning labour organizations and wages, and we have added one or two very important inside officers to the Labour Department. But notwithstanding all these additions, we have managed to reduce the expenditure of the Labour Department. It was stated in the House that there had been a great increase in the expenditure of the department. The hon. member for Rouville said that the expenditure had increased by 50 per cent, and the hon. member for Assiniboia, after investigating a little further perhaps, put the figure at 32 per cent. If he had investigated a little further still, he would have found that instead of there being an increase of 50 or 32 per cent there was an actual decrease of 17 per cent. Any one who has sufficient interest in the matter to look up the public accounts will find that at the end of the first full year we were in power —I am not going to split years, to blame anyone—there was a decrease of 17 per cent in the expenditure of the department as compared with the last full year our opponents were in power. And hon. members will find, if they look a little further, that last year it was fifteen per cent less than it was for the final year of office of our friends on the other side of the House. How has it been possible to add all these officers that I have mentioned and improve the different publications of the department, and still reduce the expenditure? It was done by the use of the pruning-knife—carefully cutting off what we regarded as unnecessary. I hope, and I know, that no hon. member of this House who is listening to this statement to-day will go out and say that the expenditure of the Labour Department has increased, having heard the facts as I have given them.

Now, I wish to say a word or two with regard to the wage-earners of this country. There are 160,000 members of the various labour organizations in Canada, and they form about one-fifth of the total number of wage-earners in the country. Of the members of labour organizations, 30,000 have shouldered the rifle and gone to the front to protect the rights we enjoy in this country and to save the liberties of humanity. And those who have remained behind have kept in good standing the insurance of those at the front, and they have seen to it that when one of their brothers has fallen in the fight his widow and orphans have not been left to suffer because their breadwinner was gone. The same rate of recruiting maintained for those wage-earners who are not members of labour organizations, means that 150,000 men engaged in manual labour have put down their tools and shouldered the rifle to go out and risk their lives for the cause of liberty. That is a record of which I am proud. When this war broke out I publicly made an appeal to the employers as well as to the employees, pointing out to them the necessity while the war was on of avoiding labour disturbances as far as possible. And I am proud to know that the workingmen of Canada have generally responded to that appeal. With very few exceptions—none serious, though in some cases they have had provocations—they have stuck to the bench because they felt it their duty to do so. And this is true not only of the men but of the women. I

had the pleasure and advantage of visiting several of the munitions factories in Toronto a few weeks ago and there met with some remarkable cases. I met a woman whose husband is fighting at the front. I asked her: "How much do you get from the Patriotic Fund?" "I don't get anything," was her answer; "they offered me something from the Patriotic Fund but I would not take it, I can earn my own living." I asked her what she was earning, and she told me that she earned four dollars a day. And she would not accept anything from the Patriotic Fund. This is the kind of patriotism one likes to see. I found in that same factory several women who could well live without working, but who were actually going down there and putting in eight or ten hours a day, and devoting every cent they earned to the support of poor families whose heads had gone to the front to fight. That makes one feel proud to be a member of the human race.

Speaking generally, the employers of this country during the war have treated their employees generously—there are exceptions, of course. I am glad to know that the two parties of capital and labour have worked patriotically in the interest of the great cause that we all have at heart. One thing that I have observed in these munition factories has greatly surprised me, and that is the rapidity with which the employees have picked up this new work. There are now about 300,000 people employed in over 600 factories, and two and a half years ago, the great majority, like myself and some of my fellow members here, had never seen a shell. Some of the women of whom I have spoken had never seen a shell a month before they were earning large sums of money by helping to make shells. I found one lady working in a fuse factory who was executing one little process on a fuse. I asked how much she was paid, and she told me she was paid by the piece—twenty-eight cents a hundred. "How many can you make?" "Two hundred an hour." "And you get 56 cents an hour?" "Yes, and I work ten hours a day, and make $5.60." Any hon. member who has followed the making of a fuse knows that it is a very delicate mechanism, and it is really marvellous that this woman should have been able to pick up in a few weeks, under instruction, the knowledge and skill to enable her to carry on this work. One little girl who had been out from Holland only four months was making four dollars a day in completing one particular part of that little fuse. Another girl was sewing straps together with which to carry the shell, and was making three dollars a day. These women are working in these factories by the hundred, and they are doing splendid work, as the men are doing splendid work. If we could only look at the bright side of things, and not always at the dark side, we should be much happier. You can find a dark side to almost anything; you can find defects almost anywhere, and perhaps nowhere more noticeably than if you make a microscopic examination of yourself.

One point I wish to speak of, though a reference to it may not be strictly in order. A question was raised the other night about the establishment of boards of conciliation at Thetford Mines and several other places. I gave it as my opinion then that the Industrial Disputes Investigation Act did not lend itself to the appointment of a Board of Conciliation where there were two or three employers. In fact, there were six employers in that case and two rival and antagonistic labour organizations. I had never heard of this opinion at that time and I never saw it until to-day. This is an opinion given by the present Deputy Minister of Justice, and it is dated 15th March, 1910. It is in reply to a letter written him by the present Deputy Minister of Labour. The Deputy Minister of Justice, amongst other things, says:

> Referring to your letter of the 14th instant, enclosing application and other papers in regard to a proposed Board of Conciliation and Investigation under the Industrial Disputes Investigation Act, 1907, as to a dispute between employees of the Grand Trunk, the Canadian Pacific and the Toronto, Hamilton and Buffalo Railways respectively, to which you desire an immediate answer, I am of the opinion that said Act does not contemplate a joint application of these employees or that the disputes which they have with their respective companies should be investigated by a single Board. I do not think that such a joint proceeding could be worked out under the Act. Whether or not the proceedings might be facilitated by the naming of the same arbitrators in each case, and the proceedings consolidated, will depend on the consent of the parties.

That was the opinion of the Deputy Minister of Justice, expressed in the year 1910, and which I never saw or heard of until to-day.

Something has been said about food prices and about the Order in Council which was passed a few weeks ago. I think I should say something in that regard before I sit down. My hon. friend from Richmond (Mr. Kyte), the other night,

quoted some figures as to prices in Australia. There are some conditions surrounding that which I think should be brought to the attention of the House. In the first place, when it is winter with us it is summer in Australia. We had a good crop in 1915; they had a very poor crop in 1915. We had a very poor crop and they had a good crop last year. There are seasonable prices; quite a large number of articles are cheaper in summer than they are in winter. I need not refer to anything beyond eggs. You can get eggs in the summer time for half the price that you pay in the winter and in January here, when we have midwinter, eggs are very dear. In January they have summer in Australia and then eggs are very cheap. But, when next winter comes around eggs are dearer there. Then again, in Australia they are unable at the present time to get their crop across the ocean to market. They are three times as far away from the market as we are, and they cannot get tonnage to get their products there. I think that hon. gentlemen sitting behind me said the other night that there were 400,000 boxes of cheese at one place which they could not get away. They have millions of bushels of wheat which they cannot get across to the market. What is the result of all that?—a lowering of the price. They have a large quantity of products awaiting shipment, and the supply is greater than the demand—I mean demand that you can utilize, they being so far away from the market. Prices rose more rapidly in Australia when they had a poor crop than they did in Canada when we had a good crop. That is very natural. Now, we have some figures. We have in our list 26 foodstuffs, 7 of which are meats. They have in their list in Australia 46 items of foodstuffs, 27 of which are meats. Meats were plentiful and cheap there when that list was made up. They were very dear here. It is almost impossible to make a just comparison between prices in Australia and in Canada.

I am going to take this opportunity of repeating what I have said before, because, perhaps, it will stand repeating. We have to-day, in all probability, 40,000,000 men under arms who have been withdrawn from productive work and who are now engaged in destructive work. It is said that as soldiers they consume about 50 per cent more than they would as civilians. That means, if these figures are anyway near right, and they are only approximate, that 60,000,000 are eating and producing nothing, 40,000,000 of them fighting and destroying everything in sight, human life as well as property. There are 60,000,000 consuming and 40,000,000 producing nothing and destroying wherever they go. Before this war broke out we did not have any foodstuffs to spare. Nobody thought of dumping shiploads of them into the ocean because we had more than humanity required. We had about enough to go around. Well, then, you remove 40,000,000 men, not all of them agriculturists, but a great many of them agriculturists, and employ them at destructive rather than productive work and the result is inevitable. In addition to that we had last year a shorter crop the world over than we had had for a great many years, a thousand million bushels of wheat less last year than the year before. Millions of tons of food have been sent to the bottom of the ocean. What do we reasonably expect to result from all that—a falling off of 40,000,000 workmen consuming 50 per cent more than if they were civilians, and a short crop the world over? We felt it, perhaps, as much in the province of Ontario as anywhere else in the world, because in many respects we had no crop at all last year outside of hay and fall wheat that grew on the higher land where it was not drowned out. Here you have, I submit, the great factors causing the rapid advance in the cost of foodstuffs. I admit there may be—and there is—some ground for holding that to a slight extent cold storage and combines, or something of that kind, may affect the prices, but to a very slight extent. That is something that we attempted to deal with by passing the Order in Council.

We did not pass it without consultation. We had amongst other delegations, quite a large number of the leading representatives of labour in this country, and they approved of an Order in Council such as we have here, or rather I think I should say they suggested it, and this Order in Council was passed. A good deal has been said about its inefficacy and the city of Montreal has been referred to. The hon. member for Richmond (Mr. Kyte) read a large portion of a letter written by one of the officials of the city of Montreal, pointing out the impossibility of employing it to any advantage. If any hon. gentleman has read his letter he will notice that he devoted most of it to a discussion of the second part of the regulation. The regulation is as follows:

1. No person shall accumulate or shall withhold from sale any necessary of life beyond an amount thereof reasonably required for the use

or consumption of his household or for the ordinary purposes of his business;

2. Every person who shall at any time hold any necessary of life beyond an amount thereof reasonably required as aforesaid, and every person who shall hold, for the purpose of sale, whether as manufacturer, wholesaler, jobber, retailer or otherwise, any stock in trade of any necessary of life, shall offer for sale the said excess amount, or the said stock in trade, as the case may be, at prices not higher than are reasonable and just.

Now, that official of the city of Montreal in dealing with that special provision—and that does not refer to any investigation by a municipality or by the Department of Labour, just with the question of the excess amount—left out these five words: "Or the said stock in trade," and he went on for half a column of newspaper space to show the impossibility of proving the excess amount over what he required for the ordinary operations of his business, leaving out altogether "or the said stock in trade." That is the main point of the regulation, the necessity of selling not only the excess but "the said stock in trade," and he is bound to sell it at a reasonable and just price. Thus when coal dealers, as mentioned by hon. gentlemen opposite, were selling coal at $6 a ton profit, that is selling it at $15 in the centre and $20 in the suburbs of the city of Montreal, any citizen of Montreal had a right to take action under that section, and under section 9 which provides:

Any person who contravenes or fails to observe any of the provisions of these regulations shall be guilty of an indictable offence and liable upon indictment or upon summary conviction under part 15 of the Criminal Code, to a penalty not exceeding $5,000, or to imprisonment for any term not exceeding two years, or to both fine and imprisonment as specified.

Any citizen of Montreal, knowing that anyone refused to sell his stock in trade at a reasonable and just price, might have applied to the Attorney General of the province of Quebec for leave to prosecute, and if he could establish his charge in the police court of Montreal, the man guilty of violating that section would be liable to be fined $5,000 or to be sent to prison for two or three years. I think there is no getting away from that.

Mr. CARROLL: Does the minister think it is quite fair to put the onus of prosecuting under this Act on the people who are affected, that is the poor people? They are the people who are affected, and in eleven cases out of twelve they are certainly not in a position to lose a day or even half a day or an hour, or to employ a lawyer and go to court to prove their case. Does the minister not think that the Department of Labour, and I am speaking quite seriously, should appoint some person in these large wholesale centres a lawyer or some one like that, to take up these cases if necessary?

Mr. CROTHERS: I am glad my hon. friend from Glace Bay has mentioned this matter. I will come to that in a moment. I was going to point out the course we took with reference to Montreal. I noticed in the press one day that they were making these excessive charges for coal in Montreal. That was on the 27th of February, when the weather was pretty cold. I did not wait for an application from Montreal, from the mayor, or controllers, or the city council. I sent this telegram to the mayor of Montreal, off my own bat as it were:

I am informed that anthracite coal is selling in Montreal at from $12 to $15 per ton. There is no reason why price should be higher in Montreal than here where coal is selling at from $8.50 to $9.00 delivered. Is the information correct, and if so, has your municipality investigated conditions or applied for leave to prosecute any dealers charging unreasonable prices? I tender full support of this Department to any municipal action rendered necessary by the condition.

I received a reply from the mayor of Montreal the next day in these words:

You have been well informed. Anthracite coal is selling in Montreal as high as $20 a ton for delivery in the suburbs. In the centre of the city coal is selling as high as $15 a ton, and people have to beg to get it. The city of Montreal pays presently for coal $9 a ton taken in the yard. The city has done nothing up to now to put an end to this situation, and would welcome any suggestion you may make or any power the Government may give to prosecute those responsible for this state of affairs. If required I will send a municipal officer to meet you in Ottawa and discuss whole matter.

(Signed) MEDERIC MARTIN.

That was on the 28th of February. On the same day I sent a telegram to the mayor of Montreal:

Re anthracite coal situation. City has full investigating power and also power to cause prosecutions under existing regulations. I suggest that you send one of your city solicitors here to discuss means of improving Montreal situation.

He never sent any one. Now these regulations from which I read a moment ago contain a provision empowering the municipalities to make an investigation into matters within the boundary of their own municipality. We do not think that the Minister of Labour could undertake to make

investigations, for instance, as to the price of milk in Nanaimo, on Vancouver Island. We thought it would be convenient to give the municipality power to investigate anything within its own boundaries. My hon. friend from Glace Bay, who is a lawyer, knows as well as I do that, speaking generally, it is the duty of the provincial governments to enforce the criminal laws made by this Parliament. There are substantially no exceptions; there are two or three under the Customs Act and so on, but, speaking generally, there are no exceptions under our constitution. You would not think of writing to the Minister of Justice in Ottawa if somebody stole your horse; you would go to an officer of the provincial government, because it is the duty of the provincial government and of its Attorney General to see that these criminal laws are enforced. This is a quasi-criminal law. We give the municipality this power:

Whenever the council or any municipality shall declare by way of resolution that in its opinion excessive prices are being demanded within the limits of such municipality for any necessary of life, such council may, by notice in writing under the hand of its clerk or other authorized officer, require any person dealing within the municipality in such necessary of life, and locally situate therein, to make and render unto such council within a time set in such notice, and such person shall make and render unto such council, precisely as required by it, a written return under oath or affirmation, showing in detail—

(a) The amount of such necessary of life held by such person for sale or disposition within such municipality at any indicated time or times including any time preceding the making of these regulations;

(b) The time when any or all of such necessary of life was acquired, produced or bought within or into such municipality;

(c) The cost of such necessary of life, including all charges of an overhead or other nature affecting such cost;

(d) The price at which such necessary of life is held for sale or at which any sales of part of the same or of a similar necessary of life have been made by such person within such municipality at any indicated time or times, including any time preceding the making of these regulations.

Mr. CARROLL: Does the minister not see a difficulty in enforcing that regulation in the case of rural municipalities?

Mr. CROTHERS: I do not think you would have much difficulty in rural municipalities. It is a very rare thing to find a number of farmers combining.

Mr. CARROLL: Suppose the farmers themselves had a grievance against a merchant who was asking $20 a barrel for flour?

Mr. CROTHERS: Would it be an unreasonable thing for one having such a grievance to go to his township council and tell them of these high charges?

[Mr. Crothers.]

Mr. CARROLL: In the case of all municipalities in our province outside of the town governments, the council meets but once a year, and any one having a grievance might have to wait almost a year before he would be able to bring the matter to the attention of the council. I would suggest that the Order in Council be amended so as to give the reeve or the warden of the municipality power to order an investigation.

Mr. CROTHERS: These councils must have power to hold special meetings. In fact, my recollection is that in one case they did call a special meeting. I do not think it would be a hardship for any one who felt himself aggrieved by what he considered to be excessive charges for coal, flour or anything else, to bring the matter to the attention of his representative. Unless the representatives in my hon. friend's province are different from those in Ontario, they would be only too glad to help out one who had a grievance, because they would want his vote and influence the next year, when election came on. Under this provision the municipal council has the right to pass a resolution to the effect that a man against whom overcharges are alleged, be required to make a statement under oath setting forth all these particulars.

Mr. CARROLL: Will the minister consider my suggestion of transferring that power to the clerk or warden of the municipality?

Mr. CROTHERS: I shall be very glad to consider any suggestion that my hon. friend may make, and I will consider this one. If it is possible to improve these regulations in any way, in the interests of the people at large, we shall be glad to do so; that is what we are here for. Under the powers given the Minister of Labour by this Order in Council, we deal generally with the kind of goods being used all over a given province, not in a particular municipality alone—although we have dealt with particular municipalities, right here in Ottawa as well as in a few other places. We have gone very thoroughly into the matter of coal. We sent 400 copies of written questions to the leading coal dealers of Canada and we got returns from them, submitted under oath. We have established a system of getting reports from every one of them each month, setting forth all necessary particulars. On my way

to the House this afternoon I went into the office and selected four cards from the hundreds that we have there. Here is the card sent in by an Ottawa coal dealer. The first question is as to the quantity on hand on the first of the month and the cost per ton. This man said that he had on hand 31 tons of egg coal, which cost him $6.78 a ton. He had on hand 325 tons of stove coal, and that cost him $7.01 a ton; chestnut, 91 tons, costing $7.10. Answers are given also as to the quantity received during the month and the cost per ton. Here is a card returned by a leading company of coal merchants in Montreal, Farquhar, Robertson Company, Limited. We have a very full statement from this firm. The cost of the coal, not including overhead charge or cost of delivering, is stated to be $7.10, and the selling price $9.50. A reasonable overhead charge and cost of delivery would bring the amount up to $9, leaving a profit of 50 cents. I have a case in my own town in which the cost was $6.69 and the selling price $8.75. In two cases in St. John, N.B., and one at another point, the returns showed that the companies were selling coal at about $13. We took the matter up with them at once, stating that the price was too high—and we are going to bring them to time if possible. The reports which we get monthly from the Canadian coal dealers enable us to tell exactly how much coal there is in the country, and this applies to the leading foodstuffs as well, because we have investigated the coal storage conditions. Our inquiries in that direction have not yet been completed; it is a herculean task to go into all the details throughout the whole country, but we are working at it. We have got on further with coal than with anything else, and we are pretty well through with the investigation of the question of sugar.

Mr. MACDONALD: What did you find about coal?

Mr. CROTHERS: We found that, speaking generally—I have mentioned two or three exceptions—those who are engaged in the retail coal business are not getting more than a reasonable profit.

Mr. COPP: Do I understand that the returns submitted to the hon. minister showed that coal was selling in St. John at $13 a ton?

Mr. CROTHERS: That is my recollection.

Mr. COPP: What time was that?

Mr. CROTHERS: I have not the card with me, but I think that it was in March or April.

Mr. COPP: That would be hard coal?

Mr. CROTHERS: Yes.

Mr. COPP: Did the minister refer this matter to the council of the city of St. John in order that it might be dealt with by the local authorities?

Mr. CROTHERS: I do not really know whether we did or not.

Mr. PARDEE: While the minister is discussing the question of coal and foodstuffs, may I draw his attention to a report that comes from the Hamilton council—

Mr. CROTHERS: I do not think that that is a question upon which I should give way to my hon. friend.

Mr. PARDEE: Then may I ask the minister if he has returns from Hamilton coal dealers, and whether it is true that coal costing them $8 a ton is being sold at $12? Has he looked into that matter?

Mr. CROTHERS: We have looked into that.

Mr. PARDEE: Is it true?

Mr. CROTHERS: As I was coming to the House this afternoon my attention was called to the matter by an hon. gentleman from the city of Hamilton, who told me there was an article in the Hamilton Herald referring to coal conditions: I said to him: "I will read it, but I cannot read it now." I have not had an opportunity of reading the article yet, but I shall be very glad to read it. We have had a man in Hamilton.

Mr. PARDEE: For how long?

Mr. CROTHERS: I do not know—for several days.

Mr. PARDEE: Has he made any report on the matter?

Mr. CROTHERS: I presume he has. I am not familiar with all the reports that come into the department, as we receive them by the hundreds. I will have a special interview with him when he returns. I have a report here on the coal situation and it may include Hamilton. My deputy handed it to me as I was setting out for the Council Chamber, and I have not had an opportunity of looking at it yet. We keep tab on things.

Mr. MACDONALD: That is all you are doing—keeping tab.

Mr. CROTHERS: You do not know what we are doing. That is the trouble with the hon. member for Pictou; it is the trouble, not only with him, but with some other hon. gentlemen opposite. They come here and make statements without having definite knowledge of the facts.

Mr. MACDONALD: What are you doing?

Mr. CROTHERS: If you will devote half an hour of your time coming to my office and looking over the reports, you will know something about what we are doing. You do not want to know what the Labour Department is doing. You want to be in a position to make charges against the Labour Department.

Mr. MACDONALD: You want to keep up prices.

Mr. CROTHERS: You want live grievances. Just as soon as one grievance is settled, you start to dig up another. We all know the hon. member for Pictou, and he is well known, not only in this House, but throughout the country, and we do not care very much what he says, either in this House or outside of it.

Mr. MACDONALD: That is childish talk.

Mr. CROTHERS: That is perfectly true. We have taken up the matter of sugar refineries and we have succeeded in breaking up what we regarded as an illegal agreement existing between the manufacturer of sugar and the middleman. We unearthed one particular case where a large manufacturer of sugar had a monopoly of the whole business in two provinces and we secured original documents showing that when a certain individual wrote asking him to send him so many carloads of sugar, the manufacturer replied, saying: "I cannot send you any sugar; you must become a member of a certain organization, and when you satisfy me that you are a member of that organization in good standing, then I will send you sugar." This gentleman went to the secretary of the organization and what did he find there? He found that he had to put up so much money and give a guarantee that he would invest $50,000, not all in sugar, but in groceries, to be put into a business that he was speaking about going into. There were only 52 men in the whole two provinces who could buy a pound of sugar from that refinery. We sent the report to the Attorney General of the province and he said that he would consent to a prosecution. The refinery came down off its perch and said: "Tell me what you want me to do and I will do it, whatever it is." And there is no such agreement existing in those provinces to-day. That is one of several instances of what we have done. We do not contend that we have succeeded in reducing the price of anything very considerably, but we have attempted to do so. We are securing facts and we have given publicity to what is going on. I have great confidence in publicity. I can satisfy any man in this country that, speaking generally, with very few exceptions, no retailer of coal in Canada to-day is selling it at an exorbitant profit.

Mr. PARDEE: That refers only to coal.

Mr. CROTHERS: Yes, that refers only to coal. We have made considerable investigations in regard to sugar, cold storage and canneries, but my hon. friend from West Lambton (Mr. Pardee) knows that this is a very large country and we have not a large staff in our department. I might, of course, have taken on fifty or sixty more civil servants at an expense of $100,000 or $150,000.

Mr. PARDEE: Even if this is such a large country, when special facts are brought to the notice of the department, do they act upon them?

Mr. CROTHERS: Yes.

Mr. PARDEE: Why did you not act in the Hamilton case?

Mr. CROTHERS: We did.

Mr. PARDEE: You did not act.

Mr CROTHERS: That will do now, if you please.

Mr. PARDEE: It will not do—the hon. minister cannot do that.

Mr. CROTHERS: Mr. Speaker, I submit that my hon. friend from West Lambton has no right to speak without my consent.

Mr. PARDEE: Then you will not answer the question?

Mr. CROTHERS: I have not refused to answer the question; I have answered the question.

Mr. PARDEE: No, you have not.

Mr. CROTHERS: Yes, I have. The question, Mr. Speaker, was—and I submit the matter to you—whether, when complaints were made to us, we took action or not, and I said that we did take action.

Mr. PARDEE: But you did not take action in the Hamilton case.

Mr. CROTHERS: Wait a moment.

Mr. PARDEE: You cannot bluff me.

The ACTING SPEAKER (Mr. Blain): Order.

Mr. CROTHERS: And you cannot bluff me. This is an old business of my hon. friend from West Lambton. What I know, I know, and I know that I sent a capable man to Hamilton.

Mr. MACDONALD: Oh, no.

Mr. CROTHERS: I ask you, Mr. Speaker,——

The ACTING SPEAKER (Mr. Blain): Order. I would ask hon. gentlemen to keep order.

Mr. CROTHERS: My hon. friend from West Lambton asked me if, when special facts were brought to our attention, we always looked into the matter. I told him that we did. He also asked about Hamilton and I said that we sent a man to Hamilton to look into the matter.

Mr. PARDEE: You did nothing in the Hamilton case.

Mr. CROTHERS: That will do from my hon. friend.

Mr. PARDEE: Mr. Speaker, I object. This hon. gentleman cannot tell me: "This will do." It will not do.

The ACTING SPEAKER (Mr. Blain): Order. The rule of the House, as I understand it, is that when an hon. member has the floor, he cannot be interrupted without his permission.

Mr. PARDEE: I quite appreciate that, Sir, but I will not be told by any hon. member that "that will do," without having your ruling.

Mr. CROTHERS: You have been told that, it has been done. I sent a man to Hamilton and he inquired into this matter. I have not had an opportunity of going over it with him, but I am satisfied that if at all possible, he will make right anything that is wrong. It was not necessary that we should send a man to Hamilton, because the Hamilton city council is composed of intelligent men and I suppose they have an intelligent solicitor, although I do not know who he is. It was quite within their province and it was their duty, under that Order in Council, to work out their own salvation in fear and trembling.

Mr. PARDEE: And without the help of the department which kept away from the matter.

Mr. CROTHERS: We have endeavoured to do something. We have prepared a set of regulations which are of great value. I do not mean to say that they are perfect. After an Act is passed by this Parliament and after we have attempted to administer it for any length of time, we find defects in it and we amend it, just as in the case of the Industrial Disputes Investigation Act defects were revealed to my predecessor and defects have been revealed to me under our administration of it. That is our experience of administering the law. We pass an Act here for a certain purpose; we expect it to operate in a certain way; but we find, when we come to apply that Act, that it is defective. We come back to Parliament and ask that those defects be remedied. I do not contend that these regulations are perfect, but I do contend that two or three other gentlemen with myself have spent a long time in preparing them, and we did the very best we could. We shall be very glad to make any amendments that may be suggested towards their perfection by my hon. friend from Glace Bay (Mr. Carroll) or by any other member in this House, or any one outside of this House. We are attempting to do something in the direction of helping the poor people.

The prices of the necessaries of life are very high, but owing to the fact that our working people are employed throughout this country at high rates of wages, there is no suffering in this country. Our working pople, I am told, have more money than they ever had before. I do not say that is a reason why we should not do anything further for them in the way of a reduction in the prices of foodstuffs, but I say that the working people of this country are better off to-day than they have ever been before. They are getting higher wages and many of them are putting money in the bank. I remember the time—I am only a boy yet—when the right hon. leader of the Opposition was a member of a government in this country, and when soup kitchens had to be opened and carried on in every great city and town in Canada to feed the people, and when the people went to the Government of which my right hon. friend the leader of the Opposition was a highly respected member, what were they told? The Government told them through its great Minister of Finance " The Government can do nothing. The Government

is merely a fly on the wheel. The only remedy is for the people to work harder and eat less." That is what the people were told at that time. But we have made an effort to do something, and we have done something. I am satisfied that the publicity that has been given to these regulations has achieved something. We are administering them as well as we can; we have not had much experience in this particular line; we do not claim that they are perfect; we are ready to amend them if they can be improved. But we have done something by publicity. The wholesale men, the retail men and the consumers know that there are men in the Labour Department watching prices in the interests of the people of this country. The cards that come in set forth the exact truth, I believe, and where there is anything suspicious as to prices we get after them right away, and we propose to do so on every occasion.

With regard to Hamilton, let me repeat that we sent a capable man down there. I do not know what he did, as I have not had an opportunity of talking it over with him since; I have been so very busy looking after the hundreds of questions and scores of motions that hon. gentlemen opposite are putting every day. On account of our time being thus taken up, important questions concerning this country are not receiving the attention they otherwise would. If hon. gentlemen opposite would drop these petty motions and questions and rise to the occasion it would be very much better. Let them follow the example of Elihu Root, or Teddy Roosevelt, and other leading men in the United States, who said to the President, "You are on the other side of politics, but that does not make any difference; we will stand behind you to a man; we will do everything that it is possible to do." Elihu Root said, "There is no coalition in the United States; we do not want any coalition; there is a coalition in every individual who is standing behind the President." If hon. gentlemen opposite would act in that way towards this Government we should have more time to look after prices in Hamilton and in the little town of Sarnia, in the constituency of my hon. friend from Lambton.

5 p.m.

Mr. W. S. LOGGIE (Northumberland, N.B.): Mr. Speaker, I have listened with a good deal of pleasure, and sometimes regret, to the remarks of the hon. Minister of Labour. He set out with a grievance. He said that the time of the House was being taken up by trivial questions from members of the Opposition. Mr. Speaker, I thought this was a free assembly, and that it was the duty of every hon. member of this House to get such information as he desired in the interests of the public. The hon. Minister of Labour used what I think was a very unfair innuendo when he said, "Men are more anxious to win the treasury benches than to win the war." I ask you, Mr. Speaker, if it is fair for a minister of the Crown to speak in that way of His Majesty's loyal Opposition?

Mr. CROTHERS: I did not make any accusation of that kind against you.

Mr. PARDEE: Oh, yes.

Mr. CROTHERS: No. Look up what I said in Hansard.

Mr. LOGGIE: I took the minister's words down at the time. He said, "men more anxious to win the treasury benches than to win the war."

Mr. McKENZIE: We will win both.

Mr. CROTHERS: The hon. gentleman has only taken down part of what I said. I said that friendly strangers sitting in the gallery and looking down upon us might be pardoned if they reached the erroneous conclusion that there were men more anxious to win the treasury benches than to win the war.

Mr. McKENZIE: Hansard will have to be changed to show that.

Mr. CROTHERS: Hansard will show what I said.

Mr. LOGGIE: That is a very flimsy explanation. But the minister went further. He used unbecoming language towards the hon. member for Assiniboia (Mr. Turriff), the hon. member for Moosejaw (Mr. Knowles), and the hon. member for Richmond (Mr. Kyte), when he said that he would have taken no notice of what they had said had it not been for the remarks of the hon. junior member for Halifax (Mr. A. K. Maclean). I think it is not becoming for a minister of the Crown to speak in that way of His Majesty's loyal Opposition. We expect a back bencher to say things like that sometimes, but a minister of the Crown ought to be above it. The Minister of Labour tried to make out that His Majesty's loyal Opposition was responsible for unduly delaying the work of the House. Why, the minister himself has spoken for nearly two hours this afternoon and almost

ninety per cent of what he said was already on Hansard. It is practically all contained in the eleven columns of Hansard from page 1217 to page 1233, which is the report of the minister's speech the other night. Then my hon. friend went on to talk about the days when there were soup kitchens in Canada. If he had stopped there I would not object so much, but he said that these soup-kitchen days were when my right hon. leader was leading the Liberal party. Now, I have followed the affairs of Canada pretty closely from the time the present leader of the Opposition was leading the Government in 1896 down to 1911, and I do not know of a single occasion during all that time when there were soup kitchens in Canada. But I do know of an occasion since then, when Sir Robert Borden was Prime Minister.

Mr. CROTHERS: My hon. friend misunderstood me. I did not say that it was when my right hon. friend was leading the Government, but that he was a member of that Government. Everybody knows the time I refer to, 1877.

Mr. LOGGIE: I am very glad to accept the hon. minister's explanation that he did not mean to say that.

Mr. CROTHERS: I did not say it either.

Mr. LOGGIE: He is so busy, that is the minister's plea. Busy? Why, he has spent two hours to-day simply repeating what he told the House the other night. There is one thing he said this afternoon which I think I can quote accurately: "I have great confidence in publicity." Well, I think the minister will be fairly well published. I am glad to learn that the department is busy—and as thy servant was busy here and there, he was gone. I wondered what the minister was blowing about, if I may use that expression, regarding the work of his department. He is administering an Act that was put on the statute book by the Liberal party. I am glad to know that he is amending it, and doing what he believes to be his part, although, as has been well said, it is more talk than real good work. He has added that Order in Council—that is what I have in mind.

Mr. CARVELL: Putting the burden on the municipalities.

Mr. LOGGIE: Yes. We had that brought up in the council in my own town, and did not get very far ahead with it. We found it was not working out very effectively. I do not know that I can say more regarding the minister's address, for he did not say much that really touched the matter of the Budget. Of course, the hon. gentleman was quite within his rights in speaking on these matters in an address on the Budget.

I regret that I was not here to listen to the Minister of Finance (Sir Thomas White) make his statement, and to hear the reply of the critic (Mr. A. K. Maclean) on this side of the House. I have read the two speeches with some interest, and I may say that the reading of the Finance Minister's speech was a mingled joy and sorrow. I rejoice that we have been able to secure the necessary money to do our part in this great war. I rejoice that so many of our men had voluntarily taken their lives in their hands for the defence of home and liberty. I rejoice because of their heroic achievements. I rejoice that it is my privilege to make this statement on the floor of this House. But I sorrow, at the same time, because the Government has not been able to implement its undertaking to have 500,000 men in training or at the front. I regret that we seem to be unable to do our full part. I sorrow for the bereaved relatives of our fallen and maimed heroes. I sorrow because we lose their help in the development of this great country of ours. I make this further remark, and I make it entirely as a personal remark—the Government has tried in vain to fulfil its promises; but they are responsible for this failure and ought now, even now, to call others to their aid and, together with the Opposition party, form a government that would get the men, voluntarily or otherwise. If there were more unanimity of action, the complement of men would probably be forthcoming.

We learn from the Budget speech also that $60,000,000 of this fiscal year's receipts are available for war expenditures over and above the expenditures on consolidated revenue and capital accounts, including interest and pensions. It is interesting to me, and I suppose it will be interesting to other hon. members and the public at large, to know the sources from which the money expended during 1917 came. I may not have all the items, but I think the statement I shall make is practically correct. We find that for the fiscal year ended March 31, 1917, war taxes were collected through the Customs amounting to $38,000,000. About $1,000,000 was collected through the Inland Revenue Department in bill stamps

and other stamps on medicines, etc., and about $6,000,000 on spirits and tobacco—that is, in excess of what would have been collected under the rates of duty in existence before war was declared. Then, we collected about $6,000,000 in extra stamps through the Post Office Department. Besides there is $15,000,000 business tax. According to the Minister of Finance we had $60,000,000 to apply to war expenditure. But the figures I have given show that we have received from the people no less than $64,000,000 for war taxes paid in support of this glorious cause. I am glad to be able to congratulate the people upon the fact that, though so many other calls were made upon us, it was possible to raise this great sum by the contributions of rich and poor alike. This $64,000,000, divided among the families of Canada, and assuming five members to each family, means that the average family in Canada paid as a war tax last year no less than $40. That, to my mind, is greatly to the credit of our people. But it is not to be forgotten that, while we collected through the Customs $38,000,000 of war tax, we collected also the fabulous sum of $110,000,000 which was used to defray the ordinary expenses of departmental administration, public works, and interest. That $110,000,000, divided amongst all the families in Canada, as I have already indicated, would mean a further tax on every family of not less than $75. I repeat I am glad the Canadian people have the means of paying such taxation and thus helping to win the cause for which we are fighting and which is so dear to us. It has been well said that silver bullets will win the war. When the war started that statement was made by the present Prime Minister of England, then Chancellor of the Exchequer. Thus, it is important that we do our part not only in regard to men and munitions, but in regard to money, because silver bullets are perhaps as much required for the winning of the war as are men and munitions.

The Government have increased the customs taxation, as they say, for a worthy cause, and I am not finding any fault with it in that respect. They have increased the tariff by five per cent on British goods and seven and a half per cent on importations from foreign countries. That means that while $84 on a given value was levied in 1915, $100 is being levied in the fiscal year 1916-17. The Government, in doing this, were within their rights and they had the good will of the Opposition, but there was this difference between the Government and the Opposition: the Opposition thought it was unwise that the products of the Mother Country should thus be hindered from coming into this part of the Empire. They accept responsibility before the country for the stand which they have taken in regard to this matter, and they say that some other means should have been found for raising this extra money, rather than the imposition of an increased duty on commodities coming from the Mother Country to Canada.

There is another thing regarding customs taxation that should be borne in mind. I have told you what the taxes are, that we have paid the equivalent of about $115 per family into the treasury by way of customs duties. But we ought not to forget that only about 25 per cent of the goods consumed in Canada are imported from abroad. The other 75 per cent is represented by our own Canadian manufactured goods. What I allege is that, while we consume Canadian goods, we pay —I will not say the whole—but a very large portion of the duty that would be collected if these goods were imported. We pay in duties which go into the treasury, together with what we pay the manufacturers because of the tariff, perhaps $300 or $400 per family annually. Thus we have in this country a tax so much of which is paid to the manufacturers and so much directly to the treasury. I think our slogan at the present time should be: reduction in the cost of food products, with lower tariff on imported food products, especially those not indigenous to Canadian climate and soil.

Mr. BURNHAM: Cheaper fish.

Mr. LOGGIE: Yes, cheaper fish, if it is possible to get it by reducing the duties on fish. I will stand by my hon. friend from Peterborough (Mr. Burnham) on that doctrine. Take the duties off fish, take the duties off all natural products and reduce the duties on food products, even if they are manufactured in Canada, to the lowest minimum consistent with the necessary expenditure of the country. I think that is sound doctrine. I think the country will prosper under a tariff along those lines very much more than it will under a tariff the basis of which is what I call class legislation. I think the party who put that class legislation tariff on the statute book are responsible for a good deal of the trouble that we have in this country. We stand for a tariff that does not imply or include class legislation.

With regard to the Budget speech of my hon. friend the Minister of Finance (Sir Thomas White), I have really not a word to say against the proposals he made. Very many of them, I realize, are necessary under the circumstances. The minister put it to the people of Canada how the extra revenue was to be raised. He indicated several sources of further taxation. He gave reasons why it was not, perhaps, wise to impose higher taxation on luxuries, and I agree with a good deal that the Finance Minister said. With regard to the increased taxation on business profits, I do not see how he could very well do any better under the circumstances. Therefore, I have very little criticism to make in that regard.

Now I come to another matter, and I regret that I cannot speak in the same terms with regard to this. I think I might as well take up the criticism of the Finance Minister first. I had the pleasure of listening to the Minister of Finance while he addressed the House on the amendment which was proposed, and I regret to say that it was a heated, partisan speech that he made, so much so that I wondered if an election was in sight next week or in ten days. The first passage in the minister's address to which I wish to refer is to be found on page 982. The Finance Minister was speaking of the right hon. gentleman who leads the Opposition (Sir Wilfrid Laurier) and he used these words:—

My right hon. freind notwithstanding his free trade professions in 1893, when he got into office followed in the footsteps of Sir John Macdonald and Sir Leonard Tilley—

—and so on. The reference to 1893 is to the Liberal platform which was laid down that year. I want to read another clause from the minister's speech. This is also in reply to a remark by Sir Wilfrid Laurier. The remark was:

Sir WILFRID LAURIER: He did nothing of the kind. The policy of Sir Leonard Tilley in 1879 was that reciprocity of tariff would conduce to reciprocity of trade.

And then came the minister's reply, and certainly it was a very heated partisan reply:

Sir THOMAS WHITE: I am sorry that my right hon. friend has not got over 1911. He tried upon that occasion to prove the impossible. He tried to prove that under reciprocity the farmer would get more for his product but that the consumer would pay less.

Note the words. And then he goes on:

We all know that when my right hon. friend attempted to prove that to the people of Canada he was fore-doomed to failure. Not even my right hon. friend could do that. He could not prove the impossible.

And then later on, when the hon. member for St. John came into the House:

Mr. PUGSLEY: And the Minister of Finance argued the other way then.

Sir THOMAS WHITE: My hon. friend was out of the House when I pointed out that among other reasons why my right hon. friend (Sir Wilfrid Laurier) signally failed in 1911, was that he attempted to prove to the intelligent people of this country that the farmer would get more for his product and the consumer would pay less.

Do you notice that this is a pet phrase. There is not one word different, except that "and" is substituted for "but." He told my hon. friend:

My hon. friend would hardly expect me to embark upon that undertaking after the example of 1911.

The hon. member for Haldimand (Mr. Lalor) spoke somewhat along the same lines. At page 1152 of Hansard he said:

It is the same old thing to-day as it was in the time of the reciprocity campaign, an attempt to deceive the people of this country. In my county on the day of the official nomination we always have a big public meeting in order that the candidates may express their views to the electorate. I remember that at the last official nomination during the reciprocity campaign a friend of mine handed me a leading Liberal paper of Toronto. One edition of that paper was issued for the farmers to read and the other for the people in the towns and cities. One told the farmers that if they had reciprocity they would get higher prices, that everything would be worth more, butter, eggs, wheat, stocks of all kinds—everything would go up. The other edition told the people living in the cities and towns that they would buy everything cheaper. Well, it was amusing.

I shall not attempt to answer in detail the allegations of the hon. member for Haldimand. I should like, in the first place, to see the Liberal newspaper that made the statement in the words as there presented to the public through Hansard. I venture to say this, that the words are not accurate. I might enlarge on my reasons for thinking they are not accurate but I shall not do so now. But if they are accurate, they are only the opinion of an individual writer, and not the opinion of the Liberal party as a party, nor are they the findings of the present leader of the Opposition the Right Hon. Sir Wilfrid Laurier. But I think I ought to reply to the allegation of the Minister of Finance. The words to which I want particularly to address myself are:

That the farmer would get more for his product and the consumer would pay less.

I want to tell the House, if I can, what is involved in that statement. In the first place, the statement on its merits, using

the exact words as there presented to the country and to the House, are not accurate so far as the policy of the Liberal party is concerned; and they are not accurate as a statement of what was involved in the reciprocal trade relations that were under the consideration of the country at that time. I wonder if the first allegation of the minister is correct. It is divided into two parts, that the farmer would get more for his product is the first statement. I ask myself that question and I ask you that question, is it true that, under the reciprocal trade relations the farmer would get more for his product? Do I need a witness after the speech of the Minister of Finance? I have his testimony for it, because he was so pronounced that it would be most unfair eight, five, or four weeks before, to have free wheat passed as part of the Budget. Why, he said, there were possibly 50,000,000 bushels in the West, and, at 10 cents a bushel, it would be $5,000,000, or if there were only 25,000,000 bushels, it would be, at 10 cents a bushel, $2,500,000. What about the $2,500,000? Why, he said, it would be just that much out of the pockets of the farmer in the West. Do I need another argument to buttress my case that the farmer does get the benefit of natural products going free into the American market, and that if his product is subject to duty, the farmer pays the duty?

If this is true regarding wheat, it is equally true regarding such products as fish, hay, potatoes, shingles, laths and so on, commodities which were mentioned in the proposed reciprocal trade arrangement with the United States. Do I need any other argument than this to prove that the allegation of the leader of the Opposition and of the Liberal party is correct: that under the proposed trade arrangement, the producer of natual products in Canada, having the American market free, would get the benefit?

I see the Minister of Trade and Commerce before me. Would he say that the Canadian consumer would, under reciprocal trade arrangements with the United States, pay less for the products that he purchased? My hon. friend, for whom I have the greatest respect, would, no doubt, say in reply to that question: You had better be a little more definite; you had better not tease me by asking me something to which either "yes" or "no" would be a correct answer.

Mr. McKENZIE: He says that it is taken out of the realm of trade now.

[Mr. Loggie.]

Mr. LOGGIE: That is a pet phrase, if I may so express myself, of the Minister of Trade and Commerce, because you will notice that, with the use of the word "and" instead of "but," he repeats it later in his speech. Half a truth is the very worst kind of misrepresentation; the very worst kind of lie. I say that that statement made by the Minister of Finance on behalf of the Tory party is a deliberate, wilful misrepresentation of the facts as presented to the people of Canada during the election of 1911. At that time I stumped my county from one end to the other, and I made no such statement as that, leaving it where the minister left it. I made the matter clear, as I shall make it clear to this House in a few moments; yet the Tory press came out with head lines something like this: Heads I win, and tails you lose. Let me paraphrase that statement of the Minister of Finance and give it as my right hon. leader made it and as the intelligent people of Canada understand it:

> The farmer would get more for his product and the consumer would pay less for United States products imported under the reciprocal trade arrangement from the United States.

It is true that under the reciprocal trade arrangement with the United States the farmer would get more for his products, and it is equally true that the consumer, buying American products coming into Canada free or under a reduced tariff, would get those commodities for less money.

The question was asked, in a local paper in my district, how I could argue that the United States consumers would not get the benefit of duties taken off goods entering the United States, whereas Canadian consumers would get the benefit of duties taken off goods entering Canada. This is true, and I will tell you why. On general principles, the country that imposes taxes on imported goods simply asks the consuming public to pay that tax. But there are exceptions to all rules; let me tell you that this is an exception to the general rule. First, it must be remembered that we have to the south of us a population of 100,000,000, in round numbers, and we have in Canada 8,000,000 people. When we buy a commodity in the American market, we must buy it at its market value in the United States, because we are not a sufficient factor materially to change the price. The United States market is a world market, and we must buy at their market price, or not buy at all. Let us examine the conditions of our selling in the United States such commodities as I have named. When

I was running my election, I contended that I was not sure that hard wheat would receive any benefit if the United States took the duty off, because I considered that the price on the Liverpool market largely determined the market value of wheat in the United States. Of course, I had reference to hard wheat. Now we have the minister saying that on low grade wheat the farmer will receive an additional 10 cents a bushel by reason of the removal of the duty. As I say, if we market goods in the United States, we must accept the conditions that exist there. If I have no other market for, say, 10 carloads of fish, I must send them to the New York market and accept the New York market price. If the weather is cold and if fish are scarce, I get a better price, and whatever the duty is, I get that much less for the commodity that I market. That is true of potatoes, shingles, laths, hay, and of practically every commodity that was mentioned in the reciprocity trade arrangement.

If we were having an election at this time and if this statement of my hon. friend were made on a public platform, I would not mind it so very much, but I say it is unfair criticism for a minister of the Crown to repeat it in this House, using this slogan: "The farmer gets more and the consumer less," which on the fact of it is ridiculous. With a proper and true interpretation it is absolutely the case that on our home products that we would market under the reciprocal trade relation, the increased price would inure to the benefit of the farmers of Canada, and on the imported goods that would be marketed under the same trade relation, the reduced duties would inure to the benefit of the Canadian consumers. How much benefit would the Canadian consumer receive? On the basis of the imports for 1910, the reduction in the duties would amount to $2,200,000; that is, under the reciprocal trade relation, the Canadian consumers would have paid $2,200,000 less than he actually had to pay for those imports in 1910. That is not all. I do not need to remind the Minister of Trade and Commerce of this fact, because I know that his mind is acute on these matters, even if he is not a practical business man, but let me remind other hon. members of it. The Canadian consumers pay $2,200,000 into the customs house of Canada, but do they pay more than that? In the first place the goods, after having been taken out of customs, are received by the wholesale merchant who adds on a profit of not less than fifteen or twenty per cent. The hon. member for Haldimand (Mr. Lalor), speaking about the Dominion Canners Limited, the other night, said that they sold their goods at a profit of ten per cent, and the hon. member was quite correct in that statement, but he did not tell the whole story. Up to a certain point, they do sell their goods at an advance of ten per cent, but that is when they are delivered practically from the factory to the retailer without being taken into the wholesale warehouse, but for later delivery the price is raised 2½ cents. That, however, is a digression. The point I wish to make is this, that the saving to the Canadian consumers would be practically $3,000,000, because the wholesale distributor adds fifteen or twenty per cent profit on to the $2,200,000 and then the retail merchant adds his percentage of profit on to what he has paid to the wholesale merchant. Therefore, I say that if we had had this trade arrangement for the last four years, the consumers of Canada would have saved no less a sum than $12,000,000. There is, of course, a reasonable answer to my statement, namely, that in these war times we must have money and the treasury would be minus that amount if the reciprocal trade relations were in force. That would be perfectly true, but what I think is right is that the country ought to know that these allegations of the Tory party are absolutely unfounded.

I wish to refer to just one more matter in regard to the reciprocal trade relation, because the Minister of Finance was again very partisan in regard to it. On page 983 of Hansard of this year, the minister said:

> The chief objection was the fact of the agreement. It is true that on its face it was stated that it was not a treaty but in substance and in fact it was a treaty and when it was entered into the late Government lost to a considerable degree the control of its own tariff.

I do not consider that to be a fair criticism. I will read the words of the agreement and I will leave it to any hon. member that listens to my voice to judge if that is a fair criticism of the words of the agreement. That is the kind of criticism that helped to win the election of 1911, and it looks to me as if it will be used again as a slogan. No contract can be broken without the consent of both parties unless there is a clause in it empowering either party to break or change it, and that is exactly what is in this agreement, the words of which are as follows:

Nevertheless, it is distinctly understood that we do not attempt to bind for the future the action of the United States Congress or the Parliament of Canada, but that each of these authorities shall be absolutely free to make any change of tariff policy or of any other matter covered by the present arrangement that may be deemed expedient.

That means that after the agreement has been passed by Parliament, Parliament, on any occasion, the next day if they choose, can amend it. According to the words of the contract they can do anything they please regarding what they have done. What more can you do to-day regarding wheat that you have put on the free list? You put it on to-day and you can take it off to-morrow. The power that made wheat free can unmake it. The power that made that agreement can unmake it, according to its terms. I may be dense; I may not understand the situation; I may not have the acute mind that the Minister of Finance has, but I fail to come to any other conclusion from the reading of the words of that agreement. I do not know that I can say anything further regarding the Finance Minister's address to the House or the amendment before the House.

I was surprised at the heated argument he made. He talked just as if an election were coming on next week, and "free wheat" was to be the slogan of his party; and incidentally they would ridicule reciprocal trade relations just as they ridiculed them in 1911. Suppose I were to ask the Minister of Finance: "Do you realize that you have taken out of the pockets of the farmers of Western Canada from $6,000,000 to $10,000,000 during the last three years?" I am sure that if he were in his seat he would say: ("Why how have I taken $6,000,000 or $10,0000,000 out of their pockets)" Let me answer him in his own words.

At six o'clock the House took recess.

After Recess.

The House resumed at eight o'clock.

Mr. LOGGIE (resuming): The words of the Minister of Finance to which I referred are to be found in part on page 988, as follows:—

Well, ten cents on fifty million bushels means $5,000,000, and on twenty-five million bushels, $2,500,000. Does my hon. friend mean to say that if this is a proper course for us to take in the national interest at this time of war conditions, the farmer in the West is not entitled to that ten cents.

[Mr. Loggie.]

That is a question put by the minister to a member on this side of the House. Later —page 989—he said:—

They say we should have included this free wheat measure in the Budget, and debated it for a month or six weeks, and two months from now the proposals would be enacted into law. Supposing we had done that? It would mean that the farmer of the West would have been deprived all that time of ten cents a bushel in respect of the low grade wheat he exported to the United States.

Thus we have the testimony of the Minister of Finance, that, if there be 25,000,000 bushels of wheat in the West to-day for export to the United States, the removal of the duty will mean that the farmers will put $2,500,000 in their pockets. If the farmers of the West will be $2,500,000 better off because we put wheat on the free list at a certain time instead of two months later, how much better off would they be if wheat had been put on the free list in 1914? It is fair to say that the party in power to-day has deliberately and without good reason taken from the pockets of the farmers of the West a sum of not less than $6,000,000 to $10,000,000, and this with practically no benefit to any industry in Canada and no advantage to the treasury of Canada, the whole sum accruing to the benefit of the treasury of the United States, according to the testimony of the Minister of Finance himself.

Mr. BLAIN: How does the hon. gentleman reconcile the statement made by his friends from the West, that taking the duty off wheat would mean a higher price to farmers of the West, and the statement of his friends from the East that the same change would result in enabling the mechanics of the East to buy flour at cheaper rates?

Mr. LOGGIE: I do not believe the hon. member (Mr. Blain) was in the House this afternoon when—

Mr. BLAIN: I was.

Mr. LOGGIE: Then I am afraid the hon. gentleman is very dense—I hope I may be pardoned for saying so.

Mr. BLAIN: Does the hon. gentleman deny that his friends have made the statements to which I have referred?

Mr. LOGGIE: No, but if the hon. gentleman would state the whole case he would get at the truth of it. It is demonstrated by the Minister of Finance that the farmer gets the benefit of the removal of the United States duty. Now, if the effect be to put up the market value of that class of wheat

in Canada, and if that class of wheat, made into flour, is consumed in Canada, then, of course, the consumer must pay accordingly; the consumer, every time, pays the value of the article on the market where it is consumed.

Mr. BLAIN: I do not wish to interrupt the hon. gentleman, but how does he explain the statements of his friends to which I have referred?

Mr. LOGGIE: I thought I had made myself clear enough for the hon. gentleman to grasp the situation. If the farmer gets more for his wheat, and if that wheat is converted into flour and sold in Canada that flour is worth just that much more to the consumer. But, on the other hand, if the hon. gentleman will consult the figures of imports into Canada under this free wheat system, he will probably find that in certain parts of the Dominion American flour is used. That flour will come in free of duty, and the consumers will benefit to the extent of fifty cents a barrel as compared with what they would have had to pay had the duty been maintained. No argument can be used against this, except that it will be alleged that this affects adversely the Canadian miller. But do you mean to tell me that the millers of Canada, are not able to compete with the millers of any other country? We can export our wheat to all the markets of the world. Will anybody tell us, then, that we cannot compete in supplying our own market—that we cannot feed our own people? Do you mean to say that we need a bounty, or that our people must be compelled to pay more for flour than that flour is worth when we send it abroad? Now, if I have not made myself clear, I shall be glad if the hon. member for Peel (Mr. Blain) will ask me any other question.

Mr. BLAIN: If that is the best the hon. gentleman can do, I accept it.

Mr. LOGGIE: That is very kind of the hon. gentleman. If I had explained it to him that two and two make four, I suppose he would have "accepted" it as the best I could do, but would really be dissatisfied because I had not said that two and two make five.

Now, I wish to deal a little more at length with a statement of the Minister of Finance to which I have already referred. The minister made the allegation that in 1893 the right hon. gentleman who leads His Majesty's loyal Opposition, laid down a platform of free trade. And, the hon. member for Frontenac (Mr. Edwards), speaking the other evening, said:

> Nor have I any particular regard or admiration for a leader who denounced protection as a thing accursed of God and man, and promised free trade, and yet for all the time he remained in power maintained that so called curse in practically the same position as it was when he assumed the reins of office.

That is a rather serious charge that the hon. member for Frontenac has made and perhaps there is not another hon. gentleman in this House who would make such an allegation as that. Let us see if that was the platform of the Leader of the Opposition in 1893. I was a delegate to the Liberal Convention of 1893. It was held in Ottawa three years before the general election of 1896. I had the pleasure of attending every one of those meetings. I heard the right hon. gentleman address the convention, I heard the speakers from different portions of the Dominion, and I say here and now to every hon. gentleman in this House that it is absolutely beyond the truth to tell the House that the policy of the Liberal party in 1893 was free trade. Such a statement can only be made with malice aforethought. If hon. gentlemen consult the minutes of the convention, they will find no such words in the platform of the Liberal party as laid down in 1893. It is unfair criticism for a Minister of the Crown to insinuate that the policy of the Liberal party in 1893 was free trade. It was on that platform that the Liberals went to the country. What was the platform of the Liberal party at that date? I need not tell hon. gentlemen because I am doubtful if there is any one in this House who does not know what that platform was. That platform was a tariff for revenue purposes and reciprocal trade relations with the United States in natural products. The latter part of the platform was favoured by the Conservative party, and it had been their platform from the time of the abrogation of the old treaty. When hon. gentlemen send such innuendos as that across the floor of the House there must be something doing. I leave them to conjecture what it is. Now, Mr. Speaker, I would expect you to ask: have the Liberals carried out that platform? We have the innuendo from the other side of the House that we have not done so. I am not going to say that it was carried out in full. Perhaps it was not, but this was done and it can be demonstrated by the blue book: In 1881, as a result of Sir John Macdonald's ministry

which went into effect in 1879, as you will see by the Trade and Navigation Report issued by the Department of Customs in 1916, the average rate of duty was 20·19 per cent on dutiable and free goods. This means that two years after the Conservative tariff came into force 20·19 per cent was collected on imports dutiable and free. The Liberals came into power in 1896 and the Fielding tariff was adopted in 1897. In 1899, or two years after the Fielding tariff came into force, 16·17 per cent was collected on all goods dutiable and free, or 3·49 per cent less on the value of invoices for home consumption, or equal to about 17 per cent reduction in the amount of duty collected. On a given value, under the tariff of 1879, $100 was collected, while on the same amount in 1899, under the Fielding tariff, only $83 was collected.

Mr. WRIGHT: Is it not a fact that a reduction in the 1879 tariff was made by the Conservative administration before they went out of office?

Mr. LOGGIE: I must emphatically tell the hon. gentleman that there was nothing of the kind.

Mr. WRIGHT: And I just as emphatically state that it is a fact.

Mr. LOGGIE: If the hon. gentleman will permit me, I have it in the blue book and in the blue book it reads as follows:—

In 1881 percentage of duty to total value of goods entered for consumption, dutiable and free—20.19.

That is two years after the Conservative party came into power on their protection platform. In this same blue book, in 1899, the rate of duty collected on the average, dutiable and free, is given as 16·70 per cent. I cannot give the hon. gentleman any better evidence than the blue book issued by the Department of Customs.

Mr. WRIGHT: I do not wish to interrupt the hon. member in his speech, but what I was asking him was as to whether it was not a fact that there was a reduction between 1879 and the advent of the Liberal party into power, which he does not take into consideration.

Mr. LOGGIE: There has been a reduction. I would say in reply to my hon. friend, that has nothing whatever to do with my argument. I tell you that when we came into power we reduced the tariff by 17 per cent and kept on reducing it from then until we went out of power? And what did we find when we went into power? We found that the expenditure of this country on consolidated account was $2,000,000 more than the total revenues. We had to borrow on capital to pay the ordinary running expenses of the country. That is one reason why we could not very much further reduce the rate of taxation. But there may be a more difficult question than that for me to answer; if my hon. friend had asked me the other question that is perhaps pertinent to the matter, I perhaps could not have given him such a good answer. But I shall forestall the question myself. The innuendo has come across the House that the Liberal party came into power on tariff reform unfairly, that we preached free trade which is not true. My honoured leader may have said that he was in favour of freer trade, add but one letter to the word " free " and you have a truth. That is his doctrine. We were in favour of freer trade than existed in 1896, and we put that platform into practice. I have pointed out to you that we immediately reduced the taxation for where, before we came to power, the taxation levied on any article was $100, we reduced it to $83. But the more difficult question I have to answer is: Did you altogether eliminate the principle of protection? And now I am into perhaps more or less deep water. We eliminated it to the extent that I have pointed out by a general reduction of $17 on every hundred dollars of duty previously collected. But we did more than that; we eliminated much of the protection on several very important commodities. Let me illustrate two or three of them. When we came into power in 1896, we found that grey cotton, unbleached cotton, used by the poor people of this country, was taxed a specific duty as well as an ad valorem duty. The duty at that time was one cent per square yard and 15 per cent ad valorem. On shirtings, no matter if they cost only five cents per yard, there was a duty of two cents per square yard and 15 per cent ad valorem. On hosiery of all kinds there was a duty of two cents per pound and 15 per cent ad valorem. We wiped out the specific duty entirely, and we fixed an ad valorem duty very much reducing what these goods cost to the consumer—because all duties on goods coming into Canada are paid by the consumer. Then let me illustrate another article. When we came into power we found a specific duty on coal oil, burning oil, of seven and one-half cents per gallon. We reduced that immediately from seven and one-half cents to five cents. Thus you will find that,

under the protective tariff, coal oil paid 50 per cent more duty than it paid after the Fielding tariff was put into operation. And then molasses was subject to 15 per cent on the cost at point of shipment. This was reduced at once to one and three-quarter cents per gallon. When we came into power we found that ready-made clothing had to bear a duty of ten cents per pound and 25 cents ad valorem. We immediately removed the specific duty and put that commodity under an ad valorem duty of 35 per cent. The same thing applies to woollen goods practically of all kinds which were subject to a duty of seven and one-half cents per pound and 20 per cent. The specific duty was removed, and these goods came under an ad valorem rate of duty. If I were asked: Does this altogether fulfil your pledge of 1893, included in the platform adopted at the convention which you say you attended? I do not know what answer I could make except this: All free assemblies make blunders.

Sir WILFRID LAURIER: This one included.

Mr. LOGGIE: This one included. While we did very materially reduce the rate of duty and made the tariff practically a revenue tariff, it is to be regretted that here and there in that tariff we find that class legislation of which I spoke this afternoon, protection for a certain interest at the expense of the public. I would say first of all that in this country a moderately high tariff seems to be a necessity. We have a large expenditure, and a moderately high tariff, based on proper principles, on principles of fair play to everybody affected, is perhaps something we cannot do without. We cannot do without it at the present time, at any rate, nor can we avoid it unless something happens in the future which we can not now foresee. But I do say this, that it is unfair to tax the consuming public, say 40 per cent, on a food commodity, because that 40 per cent means 60 per cent when it reaches the consumer. I say it is most unfair to do that, and if blunders have been made in the past, hon. gentlemen opposite ought to rise to the occasion and correct the blunders. In these days when we are talking about high prices, the high cost of living, it is an opportune time for bringing food commodities down to a proper rate of duty. Of course we have the war expenditures to meet, and it may be that at the moment it is not opportune to effect this reform. But the principle that ought to be laid down in Canada today is the principle of the Liberal party, tariff for revenue purposes; and I say this, that in normal times, under ordinary conditions, no item of food product ought to be taxed under the tariff at over 20 per cent. I said, and I repeat, that a tariff for revenue purposes involves more or less protection.

It is incidentally a protection to every maker of the same kind of commodity. Moreover, if the maker of a commodity cannot, with a protection of from 20 to 25 per cent, compete with the maker of a similar commodity in another country he ought to divert his energies to some other field of activity. I do not believe in the doctrine of unduly taxing any commodity at the expense of the whole people; I believe that is not treating the people fairly. I pointed out this afternoon that perhaps every family in Canada is paying $300 or $400 a year into the treasury, or to the manufacturers of Canada, and I say that we should reduce that taxation as far as it is practicable to do so.

The hon. member for Haldimand (Mr. Lalor) made some reference to the Dominion Canners Company the other night. I have not a word to say as to how the business of the Dominion Canners Company is conducted or as to what prices they charge to wholesale grocers or to the consuming public. That is their own business, and it does not fall to me to criticise them. But it is up to the Government to see that the Dominion Canners Company charge the consuming public a proper price for their products. Let me illustrate what I mean. There were imported into Canada during the fiscal year 1916 about $222,000 worth of canned fruits. What duty do you suppose went into the treasury because of that import? No less a sum than $87,000. In other words, the Dominion Canners Company are protected to the extent of 40 per cent on the canned fruits that they put on the market. I refer to the report of the Department of Customs, page 106, in which I find these figures:

> Fruits in air-tight cans or other air-tight packages, imports, general tariff, $222,940; duty collected, $87,672.06.

Thus, under the present tariff, the Dominion Canners Company are protected to the extent of practically 40 per cent, which, I say, is costing the consumers of Canada not only the 40 per cent, but the amount of the distributor's profit thereon—another 20 per cent.

The hon. member for Haldimand further said that every dollar of the capital of the Dominion Canners Company had been paid in hard cash. What I would like to know is whether the hon. gentleman meant the preferred stock only, or the common stock as well. I venture to say that the hon. gentleman told only half the story. I presume that he had reference to the preferred stock only and that the common stock when it was distributed, was gratuitous. That means that if the Dominion Canners Company earned more than a reasonable dividend on the preferred stock, the common stock would get a dividend at the expense of the consuming public, whereas no actual cash may have been paid for that common stock. Let me say that if the Government would take the matter in hand, I would not be a bit afraid of improper or undue prices for canned goods. I would not care whether the Dominion Canners owned every factory in Canada, provided the Government would see that they are not protected beyond a reasonable duty. In 1915 there was a very large crop in Canada. There were in that year several independent factories and there was a large pack. Among the factories there was undue competition and fairly low prices prevailed. This is what happened, and this is what the Government should guard against: What I would call a holding company was formed, and the small canners came in under the Dominion Canners Company. Can you not understand, then, why they had a good year in 1916? The Government was at their back with a 40 per cent duty on fruits—it is not so much on vegetables. I am sorry that the hon. member for Haldimand is not here. I would not even hint at anything which I knew to be inaccurate, and if I have said anything that is incorrect it will give me a good deal of pleasure to withdraw it, and I shall endeavour to withdraw it as publicly as I have stated it.

I have incidentally referred to the speech of the hon. member for Frontenac (Mr. Edwards). I never in my life heard a more bitter or more partisan speech than I heard from the lips of that hon. gentleman the other night. I have read one of his statements; I wish to read a few more lines of what he said. I do not think that another gentleman in this House would make the assertions that were made by the hon. member for Frontenac. Listen to these words, Mr. Speaker. Take them under consideration as I read them.

[Mr. Loggie.]

I do not believe they represent the sentiments of the electors of Frontenac; I do not believe there is another gentleman in this House that would utter them. Listen to these words:

> A minister of the Crown seeks to impress upon the audience the importance of their duty in regard to the war, and he is hooted and jeered at and howled down by young men in that audience who evidently do not wish to listen to any appeals along the lines of recruiting or enlistment. The reason for this, Mr. Speaker, is clear. The man who is responsible for the condition of affairs that exists in the province of Quebec is the right hon. gentleman who leads the Opposition.

And further on the hon. member says:

> His teachings, more than any other cause, are responsible for conditions prevailing to-day in the province of Quebec—and sad conditions they are.

What can I say to remarks of that character? They are without truth in fact; they contain an innuendo that ill becomes the strongest party man in the Tory party in Canada, for, if Sir Wilfrid Laurier has done any one thing more than another in Canada, it has been to cement the races rather than to cause division. When we came to Parliament in 1914 and the leader of the Government made known the sad conditions of war, the leader of the opposition voluntarily and promptly made the statement that he would uphold the hands of the leader of the Government in everything regarding the war, and since that time he has practised what he has preached. Yet the hon. gentleman from Frontenac has the audacity to throw that innuendo across the floor against my right hon. leader and his followers in this critical time of war. Such an innuendo ill becomes the hon. member for Frontenac, and I am proud to believe that such are not the sentiments of the people of Frontenac, but simply his personal feelings—and he is a very caustic critic. If the criticism had been a fair one, I would hardly have taken up the time of the House in replying to it.

I wish to make another reference to what the hon. gentleman said. On page 1270 of Hansard, he made use of this language:

> I venture to say that men of the stamp of Howe, Tupper and Tilley would not approve the attitude of the Carvells and the Kytes. I venture to say that men of the stamp of Blake and Macdonald and Mackenzie would not endorse the attitude of men like the Turriffs. And, Mr. Speaker, men like Cartier would not endorse the attitude which the right hon. leader of the Opposition has taken since the war began.

I ask you, Sir, if it is a fair criticism towards my hon. friend from Assiniboia

(Mr. Turriff) who has sent his son to the trenches in France where his blood now mingles with the soil, for such an innuendo to come across the floor of this House when we are in this dreadful struggle and the Liberals as well as the Tories are doing their full part in the interest of home and liberty? In these dreadful days, criticism is ill becoming on either side of the House, and I am glad to repeat that I do not believe that such are the sentiments of the people of Frontenac, but I believe it is matter of undue partisan criticism with the idea that some party capital may be made out of it.

Mr. McKENZIE: Hear, hear. Nothing else.

Mr. LOGGIE: In the early part of my address, I stated that I thought the Government had not fully done their part. They have not been able to implement their promise to place 500,000 men in training or at the front. Even now, although it be perhaps too late for them to make overtures, they are the party in power; they are the party that have the power to move the world— we may look upon Canada as the world for a moment—they have the power to move the world if we are to do away with this miserable partisanship that exists in Canada to such an extent at the present time. The innuendo, of course, comes over to this side of the House that the Liberal party are responsible for that partisanship; but if the Liberal party, when the innuendo is thrown at them, put up a defence, is not that within their right? Do hon. gentlemen opposite expect the Liberal party, when they are struck on the right cheek to turn the left cheek as well? That is hardly the doctrine of my hon. friends opposite.

Mr. McKENZIE: That is not politics.

Mr. LOGGIE: The criticism regarding my right hon. leader is altogether uncalled for and should be regretted by every member to your right, Sir, as I know it is by every member to your left. The hon. member further on states as follows:

> But to-day we have men who for party and partisan reasons are risking the future of the community by encouraging a condition which has brought a part of our population almost to the verge of revolution.

Those words, if they were true, would be fraught with terrible consequences. If we have a revolution or if we have a condition of affairs verging on to that, it is not my right hon. friend the leader of the Opposition that is responsible for it. If I were asked who it was that started the ball rolling, I would say it was my hon. friend the Minister of Trade and Commerce.

Some hon. MEMBERS: Oh, oh.

Mr. LOGGIE: I wish you would call order, Sir.

Mr. SPEAKER: Order.

Mr. LOGGIE: It is not my hon. friend the leader of the Opposition in this House who is responsible, as the hon. member for Frontenac charges, but my hon. friend the Minister of Trade and Commerce. He it was who set the ball rolling.

Sir GEORGE FOSTER: Hear, hear.

Mr. LOGGIE: What did the Minister of Trade and Commerce do? There was an election in Arthabaska once, just about the time a certain movement in the province of Quebec was noticeable. The Liberal party had a candidate in the field, and the Nationalist party put up an opposition candidate. It was then up to the Minister of Trade and Commerce, and what did he say?

Sir GEORGE FOSTER: Be careful now.

Mr. LOGGIE: You know what he said, Mr. Speaker, and my hon. friend the Minister of Trade and Commerce, knows too. "Anything to beat Laurier," that is what he said, and he did defeat Laurier. He started the ball rolling, and it has rolled and rolled ever since until the meeting at Montreal the other night, which was certainly not very creditable to the people of Quebec, and now the innuendo comes across the House that my hon. friend the leader of the Opposition is responsible for this condition of affairs. It is a slander; it is absolutely unfair criticism, and I do not believe that criticism of that kind will carry much weight in the country. It is calculated to set one province against another, and if there is one person more than another who has helped to put down this spirit of race against race it is Sir Wilfrid Laurier.

There is just one other criticism I have to make of the speech of my hon. friend from Frontenac. He says:

> It is very material to the future of this Dominion that the next Government which holds the reins of office should be in sympathy with Britain and with the British Empire, and should not be composed of the anti-British and the foreign element in Canada.

What shall I say to criticism of that kind?

Mr. MIDDLEBRO: Nothing.

Mr. LOGGIE: That is what it deserves. It ill becomes my hon. friend from Frontenac to impute disloyalty to the right hon. gentleman who leads the Liberal party in this House. Without saying it in so many words, the hon. member for Frontenac suggests that the right hon. Sir Wilfrid Laurier should show his loyalty to the British Empire before he gets the confidence of the people, and that we should not have a Cabinet composed of an anti-British element.

Mr. EDWARDS: Does my hon. friend disagree with that?

Mr. LOGGIE: No, I guess I do not. But I will tell my hon. friend what I do disagree with, and that is the insinuation that there are men on this side of the House who are not in sympathy with Britain and the British Empire, but compose an anti-British and foreign element in this country. I take second place to no one in my loyalty to the British Crown.

Mr. McKENZIE: There are no holes in our flag.

Mr. EDWARDS: Your Saskatchewan musket could not have gone off then.

Mr. LOGGIE: I am really sorry that so much levity should be displayed, because I think this is a solemn occasion. I am sorry that hon. gentlemen opposite seem to enjoy the kind of criticism that is made by the hon. member for Frontenac. To me it is a very serious thing that when reference is made to a criticism of the hon. member for Frontenac imputing disloyalty to the Liberal party, hon. gentlemen opposite should lightly laugh.

There are just one or two other matters I wish to deal with. To my mind there are commodities just as important to the consumers of this country as wheat, which the Finance Minister recently put on the free list, and I want to give notice now that at the proper time—I cannot make the motion now as there is an amendment already before the House—I shall move that:

Potatoes, and potatoes dried, desiccated, or otherwise prepared, be put on the free list.

In conclusion, the war situation to my mind is such that we should endeavour to implement the promise of the Government, and if that cannot be done in the ordinary way, other means of doing it should be found. But the Government of the day are responsible. I should like to see all parties, if not the representatives of all views in this country, united in a common effort to implement the promise of the Government. The affairs of Canada, however are in the hands of the Government. They are all powerful; they are responsible to the people and to Empire, and it is up to them to make the overtures.

9 p.m.

It is up to them to make the move; it is up to them to implement their promise. Even in fulfilling that promise we are not doing any more than our duty, and as a people we should not shirk any part of our duty in this crisis. We are fighting in a noble cause; we are fighting for liberty and right against oppression and wrong. It is the prayer of every one of us that the good cause may prevail. That prayer we should put into practice. With our "silver bullets," with our bodily strength, in every way, we should aid the Empire in this noble struggle for liberty and right.

Mr. JOSEPH EDMOND MARCILE (Bagot) (translation): Mr. Speaker (the Deputy Speaker, Mr. Rainville, in the chair), I followed very closely the several addresses on the Budget delivered by the Minister of Finance, his colleague of the Cabinet and the hon. members on both sides of the House.

The hon. member who preceded me (Mr. Loggie) discussed the tariff at sufficient length to allow me to leave that question aside and devote my attention to other fiscal matters.

The Minister of Finance claimed a large share of credit because on the 31st of March 1917, the trade of the country had reached the two billion mark. If you take into account the very great increase in the price of every article since 1911, and especially during 1917, it can be stated that our trade, both our imports and exports, has made no progress since 1911-12. During the year 1911-12 our business totalled near to one billion dollars. Consult the statistics of every market and you will find that not only have prices doubled, but have increased in some instances three and four-fold. Take the wollen goods from England as an example: they used to sell at $1.75 to $1.90 a yard; to-day they cost $4.25, $4.50 and up to $5.50. If the claim of increased trade of the hon. member were substantiated, our imports and exports should amount, not to two billions, but to over three billions of dollars.

In 1911-12, Mr. Speaker, we were exporting nothing for war purposes; this last year, although the Minister of Finance did not give us separately the figures relating to

the munitions exported, it is well known that there have been exported from Canada during 1916-17 munitions to the amount of at least two hundred millions of dollars.

I view with alarm, Mr. Speaker, the tremendous increase in the public debt. We are told by the Minister of Finance that at the end of the last fiscal year our debt exceeded $900,000,000, and that we could expect to see it reach by March 31, 1918, $1,500,000,000, on which nearly $75,000,000 will have to be paid for interest alone; add to that the soldiers' pensions estimated at $20,000,000 to $25,000,000, and you have a total of over $100,000,000 quite apart from the amount required for the ordinary expenditure, which cannot be less than $75,000,000. All that we shall have to pay not less than $150,000,000 to $175,000,000, which somewhat exceeds the ordinary and extraordinary revenue before and after the war.

When we are confronted by such alarming conditions, is it not time to take notice? All members of this House, whatever their politics, have at heart the welfare of the citizens of this Dominion. Again I say, Mr. Speaker, that in order to secure this welfare we must stop to reflect and see whither the present Administration is leading the affairs of the country.

Since the advent of the present Government in 1911, secured by methods most reprehensible, hon. gentlemen on the other side have constantly contrived to stir racial antagonism, not only in the province of Quebec, but especially in the province of Ontario and in one other province in the West, by representing the people of the province of Quebec as disloyal to the Crown and opposed to Great Britain as a whole. In this regard it may be contended that the poor welcome given at Montreal last Monday to the Postmaster General is proof of our disloyalty. I wish to say, however, that the Postmaster General only got what is coming to him in Montreal, and deserves to be dealt with similarly in every locality where, after preaching nationalism in 1910-11, he returns to advocate Imperialism.

I claim without fear of any contradiction that His Majesty George V has no more loyal and devoted subjects than the French Canadians of the province of Quebec. It is recorded in our annals that but for the French Canadians, Canada would have been lost to England long ago. It is well known that at the time of the declaration of America's independence, in 1774, had the French Canadians consented to side with the thirteen revolted colonies, the Stars and Stripes and not the Union Jack would float to-day over our Parliament buildings. The position taken at the time by the French Canadians, not known to all and purposely ignored by others, was prompted in the main by the Roman Catholic clergy of the province of Quebec, who called upon the French Canadian people to give their lives, aye, the very last drop of their blood for the maintenance of that British dominion which was the bulwark of our rights and liberties in the province of Quebec, then the whole of Canada.

Later, in 1812, our friends from the other side of the line again invaded our territory. Who prevented the Americans conquest if not, to a large extent, the French Canadians of the province of Quebec?

It seems to me a marvel why our countrymen of Ontario, and in some western provinces, chiefly Manitoba, are so much opposed to my race. No other race in Canada is subjected to such obloquy and abuse; even the Germans, the fiercest foe of Great Britain in the present war, would receive better treatment. This country is peopled by many different races, there are Russians, Italians, Jews, Austrians, Syrians, and Germans; they all seem to be accorded due respect by the English-speaking element of Ontario; it is even proposed to replace French by Russian in the schools of that province. The population of Quebec is represented as made up of ignorant slaves, without energy, incapable and unworthy of constituting a desirable nation. We are despised, Mr. Speaker; we are even pilloried and yet, notwithstanding those insults, we remain loyal subjects of His Majesty when the bugle calls, summoning to the colours the descendants of those disloyal subjects, our youth leave home and friends, close their ranks around their country's flag, ready to defend it with their last breath and the last drop of their blood. How many of those noble sons have I not seen myself, leaving fine positions, promising careers, their parents and their friends to run to the defence of the Allies and especially England? Even I myself had two sons who were my pride and my hope; they crossed overseas to fight for the liberty of the world and to secure to the small nations a place under the sun and some measure of freedom. One of my sons is already at the front and the other is in England training until the day when he shall join his brother. Thousands upon thousands of our sons have

responded to the call, and yet must we be told by a portion of the press in Ontario that we have done nothing. If the French Canadians have not enlisted, as the people of Ontario would have you believe, how is it that thousands of them have fallen on Europe's battlefields and that there are more of them ready to capture difficult positions that others cannot take. Let us not be deceived. It is an established fact that if the Germans have not taken Calais, all honour is due to the glorious 22nd battalion. At the battles of St. Julien, Festubert, Ypres, Langemarck, Courcelette and Vimy, our sons have given freely of their blood; and those battles are proofs to the whole world that the youth of the province of Quebec have remained worthy of their forebears, the discoverers, settlers, and defenders of this large and magnificent country of ours. More of them are wanted, Mr. Speaker; and still more of these brave scions of the French settlers in Canada.

Before doing more in that direction, should we not rouse to consider whether really we have not gone far enough and whether our more sacred duty is not to strive to the utmost to secure the results asked of our efforts, that is to put under cultivation as large an area as possible and work to intensify production? How is it possible to reach that end? We first must seed the land and that requires, not only stocks of seed, but hands to put it in. How can we procure the necessary seed when the railways do not supply us with cars? Are you aware, Mr. Speaker, that the conditions are worse than they are thought to be? Last year there was a complete failure of the crops in the province of Quebec and in other provinces to some extent. The Quebec farmer must buy almost all his seed for this spring. At the present time it is impossible to get the potatoes or grain that we need. Notwithstanding the exorbitant prices, the farmers are willing to buy, provided the railway companies and the Department of Railways at Ottawa produce the necessary cars. Should not the Government take the same steps regarding those different products of the farm as they have done on behalf of the newspapers when they fixed the maximum price of newsprint? My idea is that it is the Government's duty to settle a maximum price for potatoes, oats, barley and wheat, whatever at least is needed as seed for this spring.

The plea is put forward that there are no available cars; but it is well known to those who travel on the different railways in Canada that the sidings are filled with empty cars; you, Mr. Speaker, who live in the town of St. Lambert, know that such is the case in the Grand Trunk yard in that locality. The same occurs at Point St. Charles and Turcot; also on the Canadian Pacific, at both Viger and Windsor stations, and on the Intercolonial, I believe, Mr. Speaker, that with very little exertion on his part, the Minister of Railways could furnish enough cars to allow the shipment of potatoes from New Brunswick to the farmers of my county, who need them for seeding purposes. It has been found impossible to proceed with seeding operations through lack of transportation facilities. Judging from what is taking place and from the utterances of men who are fully aware of the requirements of the Allies, men like Lord Shaughnessy, the Hon. Mr. Balfour, Lloyd George and our own Minister of Trade and Commerce (Mr. Foster) I must come to the conclusion that what is wanted most by the Allies is not more men and yet more men, but more food and still more food. That is what we are asked to furnish, but a large number of hands will be required to put in the crops, this spring, and to harvest them next fall. To secure farm help such salaries are asked that it will be impossible for the farmers to pay them. What is the remedy? I see only one possible suggestion: stop all recruiting for the army; keep in Canada all those who have enlisted; form battalions with available men who are willing to work on the land; give them a soldier's pay, and thus the farmers will secure the necessary help to sow the land and take in the crop, while paying a reasonable price; otherwise they cannot get the results expected of them.

The question of recruiting brings to mind the Postmaster General. No worse recruiting agent could be secured, because the people of Quebec put no faith in him whatever. Better try to recruit farm help than to enlist soldiers to help him to patch up the British flag which he claimed our ancestors had been forced to bore full of holes in order to breathe the air of liberty. If the Postmaster General's patriotism goes to the length he would fain have us believe, why not give up his salary to help recruiting farm hands for the province of Quebec?

We were told by the Minister of Finance on behalf of the Government that the fiscal year ending on March 31 last brought a

surplus of $60,000,000. That money, Mr. Speaker, has been taken from the people in the form of duties and taxes. Speaking personally, I should have preferred to see that money applied to prepare the aftermath of the war, keeping the war expenses by themselves to be reclaimed from Germany in the treaty of peace.

During the whole of forty-one years, Mr. Speaker, I, as a merchant, sold articles of all kinds. I am sorry to say that during the later years most of what I sold was imported from Germany. Why not see to it that industries having to do with the manufacture of similar articles be established in this country? We are particularly well situated for the purpose, because Canada has a boundless supply of raw material.

Yesterday I listened to the hon. member for Rouville (Mr. Lemieux) on technical education. If, instead of applying to war purposes our surplus of sixty millions, a portion of it had been used to promote technical education in Canada, such a policy in my estimation would have been the part of wisdom and in the interest of the Canadian people.

The Government has appointed a commission to inquire into the country's needs after the war and suggest the best methods to adopt. The return has been brought down but I fail to see what measures the Government is taking on the lines suggested. The country's development calls for urgent and immediate action; let the Government be up and doing, or else at the next election the people will put into their places men capable of fostering the interests of the nation. During the recess, I had occasion to visit a portion of the province of Quebec which had been criticised by hon. gentlemen opposite when the right hon. leader of the Opposition thought fit to build the Transcontinental. I visited, Mr. Speaker, the Abitibi region, which had been represented as being altogether unproductive and inhabitable; it was claimed to be a waste of money to build a railway from Cochrane to Quebec. I was anxious to see for myself. Let me state that in insisting on the Transcontinental being built from Cochrane to Quebec the right hon. leader of the Opposition showed great foresight. When the resources of Canada's granary, the great western prairies, shall have been exhausted, we shall find in the North of the province of Quebec, in the Abitibi fields, another granary that will furnish, not only to the province of Quebec, but to the whole world, the wheat required for the sustenance of the peoples of the earth.

There is a defect, however, in the Transcontinental line from Cochrane to Quebec. The service is a poor one. For the last couple of years there has been some improvement, but the service is still unsatisfactory. There are two trains per day three times a week. Why not have only one train a day every day in the week? The men on the road are exceedingly careless. Freight cars are allowed to stay whole weeks at stations next to the points they are billed for, and if the owners protest, they are laughed at, if not given worse treatment. A little good will in the Department of Railways, and some fairness towards the province of Quebec, would soon secure to that favoured region thrifty settlers living happy and contented on fertile lands and in an ideal climate. Although I made the trip during the winter, I could see that the railway had been fairly well constructed, except for some slopes and curves between the Fitzpatrick and O'Brien sections, which have doubtless been changed with the object of injuring the road. Elsewhere the road is perfect. I hope the Minister of Railways and Canals (Mr. Cochrane) will take my remarks in good part and do his utmost to right those conditions.

Well, Mr. Speaker, I think I have stated in all frankness and without prejudice, the situation as I view it and as many citizens view it also. And the situation being such, is it wise to continue recruiting for the war, when there is no necessity of more soldiers, unless it be to permit some people to cross to Europe for the purpose of patching the British flag bored full of holes, that French Canadians may breathe the air of liberty, as was stated in 1911, by my hon. friend, Mr. Blondin, at a meeting at St. Hyacinthe, where I had the pleasure of replying to him. In my opinion, it would be too costly to send over certain persons who are not wanted on the one hand and who would be of no use if they went.

I wish to add also that, in view of the urgent needs of the country, the Government should take the necessary steps to repatriate as soon as possible all soldiers who have been declared unfit for the service and who are paid $1.10 per day and fed in the military camps in England, where they are of no practical value to Great Britain or Canada. There are nearly one thousand of those in England. There are others whose names should be taken off the pay-list, col-

onels, lieutenant-colonels, captains, majors, lieutenants, who are merely good to show off in military parades and walk the streets of London. Even here in Canada we have quite a number of those officers whom we pay out of the public money drawn from the people's tax money, who are of no service whatever in the trenches and have lived in sloth long enough at the public expense.

We are being preached to practice economy, Mr. Speaker; I agree with the preaching, but I disagree with the preachers, who lack faith in their own teachings. They practice the very opposite of what they advocate. The returns from the various departments of the inside and outside service furnish ample proof of that fact. There has been a scandalous number of extraordinary appointments since 1911. On a visit to the Montreal post-office last winter, partly through curiosity and partly on business, I was astounded to see the large number of clerks in the various offices who had nothing else to do but order one another about doing nothing.

We have had also, Mr. Speaker, a return showing the number of Liberal employees discharged under the present Administration and the number appointed in their places. Can it be believed that, according to the return, ten thousand Liberals were discharged and twenty-one thousand friends of the Government appointed in their stead. Appointments have been made without any respect for the Civil Service Act, in fact in direct violation of the Act. Positions have been given to persons who can barely read, even on the staff of the Library, where surely of all places educated men are required. That employee was given a fat salary of $1,200, his appointment was made to date back six months before he entered on his work and he was granted an indemnity for lodging for six months prior to his taking up his duties because the Parliament buildings were burned down. We have here, Mr. Speaker, a sample of the manner in which the affairs of the country are administered by ministers who go into the cities and throughout the country clamouring for the strictest economy by the people. I was right in stating that those preachers lack faith in their own teachings.

A word as to National Service. If the desire was to obtain the information which we are told was aimed at, that is to find out how many people were disposed to work in the munition factories or on the land, the only way was to put the questions frankly, honestly and without any reticence. The cards had two queries which left a great deal to conjecture; they are questions 23 and 24. Many electors asked me if they should sign the National Service card. "Do so," I said, "but beware how you reply to the last two questions. If you are willing to go anywhere and in any capacity, answer 'yes'; if not, say 'no.' If you are ready to work in Canada in the munition factories or on the farms, say 'yes'; otherwise, write 'no.'" It may be that only a few cards have been returned from the county I have the honour to represent; the people are not to blame, because it is a constituency made up chiefly of farmers. A farmer with 125 or 150 acres in cultivation and often with only one son to help cannot be expected to leave his own work and go on some other farm, especially in view of the fact that we are requested to intensify production.

Before 1911, the Government led by the present right hon. leader of the Opposition (Sir Wilfrid Laurier) spent $98,000,000 for the administration of the country. We were taken to task then for our extravagance, our wasteful methods. What shall be said of a Government who spend for the same work the enormous sum of $172,000,000 in round numbers? Is it to be wondered that the people are complaining under the burden of taxes and repent of their sin of 1911? I do feel, Mr. Speaker, that when, at the bugle call, the officers will review the ranks, calling upon the electors to rally around the colours—not those of war but the Liberal standard—there will be among the hon. gentlemen opposite many bitter tears and gnashing of the teeth. We on your left, Mr. Speaker, have cause for congratulation when we see the very principles advocated and defended by the liberals in 1911 and condemned, censured and vilified by those who attained power by means of those tactics, recognized to-day by their erstwhile opponents as sound; for now that they are in power, the Conservatives adopt and apply those very Liberal principles, in connection with such questions, as the navy and reciprocity.

Doubtless you remember, Mr. Speaker, how the electoral campaign was conducted in Quebec in 1911. You recall the terrible scarecrow that was made of the Laurier navy, the terror that was struck into women and children by the description of the horrors of war and how mothers were terrified because their sons would be snatched from

their arms and sent to be butchered on the seas of China and Japan. More than any, I know the terrors which were spread during the campaign of 1911 in the Province of Quebec by Nationalists; my opponent in the election was one of the strongest adherents of Nationalism. Previously I had the opportunity especially in Drummond-Arthbaska, of meeting some of those self-styled Nationalists, as the Hon. Mr. Nantel, ex-Minister of Inland Revenue, who accepted a commissionership on the Railway Commission, knowing full well the chastisement which the electors of Terrebonne had in store for him when he should seek re-election. Those who had such a dread of the tin-pot navy, as it was called in 1911, are quite satisfied now to have those vessels protecting the Atlantic and Pacific seaboards against possible invasion. To such an extent did they go in their acceptance of the Liberal policies, that at the opening of hostilities they bought two submarines that had been built for the Chilean Government but refused as being defective. Our Government bought them in spite of all, hoping to use them in the defence of the Pacific coast, but unfortunately the two boats behaved in Canadian waters as they behaved before the Chilean experts; when they attempt to submerge they plunged to the bottom and it will be necessary to use torpedoes in order to raise them. If we are in a position to-day to build ships in Canada for the Allies of Great Britain, it is due to the policy inaugurated in 1910 by the right hon. leader of the Opposition (Sir Wilfrid Laurier). As a matter of fact, if the Canadian Vickers established their shipyards in Montreal, it is because Sir Wilfrid Laurier had decided in 1910 upon a programme of naval construction, the ships to be built in Canada, by Canadian labour, for the benefit of Canada instead of handing over, as was this Government's policy in 1903, $35,000,000 for the construction of three dreadnoughts for Great Britain, who did not require them.

I could take hours to dilate on the bad administration which the Canadian electorate accidentally voted to power in 1911, but not to-day. The people are only waiting for a chance to correct that mistake. I do hope, Mr. Speaker, that the time is not far off when the opportunity will be given the people to make amends by placing at the helm of the state men who have the people's interest at heart, men able to govern without stirring racial and religious animosities between the different nationalities that constitute the Canadian people. To that end, Mr. Speaker, there is only one thing to do: it is to recall to power that great Canadian, that greatest of Canadians, the Right Hon. Sir Wilfrid Laurier, who for fifteen years has led the country through an era of prosperity.

Mr. EUGENE PAQUET (L'Islet) (translation): Mr. Speaker, the remarks of the hon. member for Bagot (Mr. J. E. Marcile) call for a reply on my part. I respect and admire the noble sentiments expressed by the hon. member in favour of the great cause which we are all defending. I congratulate him on the most noble of sacrifices, giving his sons for the safety of his country. But I deplore his strictures against Lieutenant-Colonel Blondin. There is then to be no let up in his attacks against a man who has given his best service to the national cause! My sympathies for the sons of the hon. member for Bagot are deep; but why should I not entertain the same feeling towards a minister of the Crown and a father who has made the same sacrifices. Last Monday, I attended the meeting at Le Monument National; I wish to point out to my hon. friend that he forgot to tell us that Mr. Descarries, a Liberal member of the Gouin Cabinet, was ridiculed by hecklers during his address.

Last night Mr. Blondin got a very sympathic hearing at St. Hyacinthe. This also the hon. member failed to mention. All Liberals do not view the action of Lt.-Col. Blondin in the same light. My hon. friend states that at the Montreal meeting the hon. Mr. Blondin got his desserts. I am sure that the leader of the Liberal party does not see eye to eye with my hon. friend. The St. Hyacinthe meeting was presided over by the mayor, Mr. René Morin. The distinguished first magistrate buried all political differences to shake the hand of a patriot who is making immense sacrifices for the safety of Canada and the cause of liberty. His Honour the mayor, a staunch Liberal, congratulated Mr. Blondin on his noble action, remarking how the minister was not content with words but followed his words by deeds. Mr. Blondin was the recipient of a remarkable ovation. He deserves the respect and admiration of all those who forget political dissensions when the country's welfare is at stake. The great and noble action of the hon. Mr. Blondin redounds to the honour of our race at a moment when the country is threatened by many foes.

The hon. member for Bagot has given his views on the social conditions of Canada. I

may be permitted a few words on the subject.

In 1867, the Fathers of Confederation gave us political unity. They agreed to a constitution under which all British subjects would enjoy equal rights as regards language, religion and property. Under that constitution, interpreted in the spirit of its founders, there is no superior race and no conquered race. Racial divisions, however, have not wholly disappeared. And yet, the loyalty of the French Canadians in Flanders, at Courcelette and Vimy, should win them that equality of rights intended by the Fathers of Confederation. Our sons are fighting, suffering and dying on the battlefields of Europe. I weigh their sacrifices in the scales of right and justice. They have an immense weight and deserve the respect of all other races.

During the month of October 1916, distinguished citizens of Ontario, came into the province of Quebec to partake of our hospitality as the representatives of an important branch of the great Canadian family, to exchange friendly greetings and promote an entente cordiale and establish a bond of sympathy that should exist between all the children of a common country. The delegates from Ontario learned how better to appreciate the province of Quebec, "That daughter of French thought, which gives its love to Canada, its admiration to France and its best loyalty to the Mother Country." The delegates of the bonne entente, now they have witnessed our attachment to British institutions, will be able to treat us with more fairness. Sir G. E. Cartier said: "My policy is respect for all rights." The delegates have found out that the French Canadians live up fully to that motto. The province of Quebec allows the minority the widest freedom of worship and perfect control of their schools. The success of these delegations in Ontario and Quebec is to be greatly commended. The distinguished visitors will realize the necessity of a dual race in Canada. In the words of an orator: "In this Canadian dualism Providence intended that French and British live side by side as brothers since she has brought them together in one country. English-speaking and French-speaking Canadians have crossed the seas and they fight together alongside their European brothers. Their blood flows in one stream for Christian civilization and triumph of the two great races to which they belong." Those great citizens understand the value of Canadian dualism. They know that Canada's future is dependent upon the union and solidarity of the different groups of the population.

A famous lecturer once said: "The tears and the blood shed in so many Canadian families will cause flowers of charity to blossom on Canadian soil and from them there shall spring and mature fruits of justice and peace."

As all the members are likely desirous that the debate should come to an end during the present sitting, I shall add but a few remarks on the financial, commercial and agricultural conditions prevailing in Canada.

After thirty-three months of war the financial standing of the country is well established, perfectly re-assuring and such as to give us a clearer conception of our immense resources. Our trade and our credit have retained a degree of stability which exceeds the most optimistic previsions and redounds to the credit of the Canadian Government. The constantly increasing revenue is a striking proof of the country's development. For the year ending on March 31, 1917, $232,000,000 have been received into the Treasury, an increase for the year of 60 millions, enabling the Government to meet its ordinary and extraordinary expenditure and apply $60,000,000 to war purposes. That result must be held as most satisfactory, if we take into account the sparsity of the population and the absence of old and solid wealth such as is to be found in other countries. In the difficult circumstances we have to meet, it is right and just to return thanks to the Government for having piloted the country with such a firm and skilful hand.

On January 11, 1917, the manager of the Royal Bank declared that the financial and economical power developed in Canada since the declaration of war was simply astounding. Before the war we went along on borrowed capital. Every year the Dominion Government, the provincial governments, municipalities, business men and directors of large industrial undertakings, went to foreign money markets for the hundreds of millions required for the development of our trade, our industries, and our national highways. With the war and the ensuing dislocation of commerce, the Canadian people grew alarmed. But the ability of the Minister of Finance and the patriotic efforts of the nation, have shown that during the war Canada could hold its own financially. Before the war Canada was a borrowing country, since the opening of hostilities, the Government has issued loans to the Canadian people to the extent of 350 millions

For the last two years, the minister has succeeded in establishing equilibrium in the Canadian budget without having recourse to the British market, owing to the wise and enlightened response of the people who readily entrusted their savings to administrators whose ability and integrity are above suspicion. It has well been said: " It will be a glorious page in the history of Canada whereon it will be recorded that the Minister of Finance having called for 50 millions, received 100 millions; and having asked 100 millions, secured 200 millions, and his appeal for 150 millions brought him 250 millions." It was a wise and courageous move to take advantage of the greatly improved financial situation to issue Canadian loans. The ready and satisfactory response of the people must have been a deadly blow to those who lack confidence in the prudence and ability of the members of the Government. To pursue the war to a glorious end, the State may well count upon the active co-operation of all its subjects. The success of the Canadian loans is a matter of which we may well feel proud. It is high honour for the country and expression of great confidence in the Government. We need not feel undue alarm at the increasing national debt, if we realize how boundless are our resources and what development awaits our trade and our industries. Our foreign trade has increased beyond all expectations since 1911. At the last session under the Liberal Administration, the Hon. Mr. Fielding announced in enthusiastic terms that Canada's commerce had reached $750,000,000. In 1913, it reached the billion mark and by quick stages it creeps in 1916-17 to over two billions of dollars. Those figures throw a vivid light on the course followed. It is matter for congratulations to find that our exports exceed our imports by 314 millions. Until 1895, the balance of trade since the year of Confederation, except in 1881, has been against us. During the last fiscal year of the old Conservative régime, the balance of trade was in our favour and continued so until 1901. In 1902, the balance of trade turned against this country right up to 1916. During that period, where did we obtain the money required to buy foreign goods? We have taken the deposits in the banks and sent the money to foreign lands. Then we stopped buying and began to sell. From such conditions we can gather why we have been able to make a big military effort without appealing to the Mother Country for financial aid.

Victory in the agricultural, commercial and industrial fields is ours, provided we bring to the effort the same devotion, energy and will which characterize our soldiers. Some one has said that " Industrial Canada is developing in the midst of agricultural Canada." Manufactured goods amounted in 1900 to $481,000,000, and in 1910 to $1,165,000,000; the first time the billion mark is reached and we saluted it with enthusiasm, as it was the reward of our labours and a great promise for the future. In 1916, the output of our manufactures was $1,400,000,000. Our exports of manufactured articles were as follows:

1911	$ 40,000,000
1914	67,000,000
1916	191,000,000

In an epic of war, our minds revert first of all to the heroic deeds wherein are manifested the noble ideals of the human soul. But munitions are an essential factor of final victory. When the tremendous tornado of 1914 swept over the world, the munitions industry scarcely existed. Those who have criticised the work done since 1914, have shut their eyes to the gigantic task with which the Canadian Government had to cope. An immense organization had to be brought into being at a moment's notice. The ministers and their ready helpers were equal to the effort and the munitions industry has produced wonderful results. The labour organizations, the industrial forces, the financial institutions were welded into a supreme effort to secure a maximum of production. There are now 650 shell factories turning out 800,000 shells every week. We have shipped to France 500 millions of dollars' worth of munitions, while the total orders received reach $800,000,000. Three hundred thousand workmen are turning out munitions and occupied at labour connected with the making of munitions. The production of steel, zinc, lead and brass has received a corresponding impetus. We are now producing chemical products of great importance. An orator exclaimed in the course of his address: "In the month of August, 1914, no one could foretell what inexhaustible reserves of forces and virtues would spring up from the Canadian soil."

With the coming of peace, the immense capital accumulated in the banks will help in establishing new industries and our artisans will apply their newly acquired experience and knowledge to the industrial progress of Canada. Those Canadians who during the war have turned their factories

to war purposes will be able to apply them once more to objects of peace.

May I be allowed to quote the eloquent words uttered by the president of the Bank of Montreal in December, 1916:

"Canada bears admirably the effort made necessary by this world war, and its sacrifices will be amply compensated by increased confidence in our own strength, and, from a nation relatively obscure heretofore, it will take its proper place among the nations.

"The future, as I have said, will evolve new problems and is not without financial anxiety; but a young nation, possessed of a great national spirit, a territorial empire and boundless natural resources, can look forward with confidence and hope."

The revival of agriculture should reach its climax during and immediately after the war. The right hon. Sir Robert Borden at the first session under the present Government, granted a generous and special grant to the provinces as an aid to agricultural education. In 1913, the Dominion Parliament at the request of the Minister of Agriculture, adopted a new agricultural legislation. The provisions of the Act were made applicable during a period of ten years. Ten millions will have been spent meanwhile. Those millions are put at the disposal of the provincial governments to promote and develop agricultural training and as a help to the farming industry. The Act of 1913 and a wise expenditure of the moneys so voted should greatly tend to improve farming and raise its level to the place it should occupy in this young land of ours.

I take great pleasure in congratulating the hon. Mr. Burrell for his intelligent efforts on behalf of the farmers. It seems to me that as he furnishes the money to help the farming industry in the province of Quebec, he should have a direct say in the methods whereby the farmers interests are to be promoted. While stupendous events devastate Europe and affect very materially our own country, we appreciate more deeply the greatness, the loftiness and the importance of the farmer's profession. We recognize the undeniable merit of our settlers, of the tillers of our soil, of our agriculturists. We pray to them to intensify their production to meet ever-growing needs, realizing that thereby we are opening unbounded treasures. Canada's future rests largely in the strength and patriotism of the farmers. As a token of sympathy and thankfulness towards the agricultural profession, the different classes of the people are uniting in an organization to celebrate the coming of the first settler in New France. Soon will be unveiled the statue of Louis Hébert, the pioneer Canadian farmer. Before his noble figure, the words of Sir George Etienne Cartier will be appropriate: "French Canadians, let us not forget that to consolidate our national existence we must cling to the soil. We must every one take all possible means to preserve our territorial heritage. Any one without a parcel of land should use the fruit of his labour to acquire one, however small; we must bequeath to our children not only the blood and language of our forefathers, but also property in the land. Attachment to the land is the secret of the future greatness of the French Canadian people. Much is heard as to nationalities. Let me say that the race which will triumph in the end is the race that has held fast to the land."

So, let us retain in agricultural pursuits those who were born to agriculture, and, in order to increase production, let us bring back to the farm those who have deserted them.

Mr. F. N. McCREA (Sherbrooke): Mr. Speaker, I wish to take up a little of the time of the House to discuss that part of the Budget speech which has reference to the taxation of industrial profits. When the hon. the Minister of Finance (Sir Thomas White) delivered his Budget speech last year and singled out the manufacturers as fit subjects for taxation, it appeared to me then as an unjust and unwise procedure. When this measure was before the committee, I think the minister assured the House that it would be in force for three years and would not be disturbed. I have not consulted Hansard, but I think if you will look up the record you will find that when this measure was going through the committee the minister so expressed himself, stating that this taxation of 25 per cent upon profits over and above 7 per cent on corporations and 10 per cent on partnerships, would not be disturbed for three years. But, unfortunately, the minister has changed his mind. If it was an unjust tax in the first instance, I am very sure that it has not been modified any by this new departure of coming back again and imposing a further tax of 50 per cent on all profits between 15 and 20 per cent and 75 per cent on all profits over 20 per cent. Industrial companies of all kinds are subject to fat and lean years, periods of prosperity and periods of great depression when

it is a hard problem for them to keep afloat, meet their obligations and pay dividends. Many of them pass their dividends. We are told in sacred history of a king of Egypt who, at one time, had a dream that troubled him. He consulted all the wise men of the realm, and finally he found one who could interpret the meaning of his dream. The interpretation was to the effect that they were then to have a number of years of great prosperity and abundance, to be followed by another period of years of great leanness, no prosperity, no crop, nothing. The king, in his wisdom, provided out of the rich years a fund to carry his people and his country through the period of lean years. It would have been wise if the Minister of Finance had looked up a little sacred history and if he had done so perhaps he would have thought it wise not to put the whole burden on the manufacturers, because we are going through a period of some prosperity. It cannot be denied, and I am not here to deny, that the manufacturers in most lines are prosperous. But, it is also true that the managers of nearly every industrial concern, if they make any money, instead of paying great big dividends and pocketing the money, generally invest it in extensions and additions to the plant, thereby increasing production and building up the country. This measure of taxation placing the whole of the burden of providing revenue to meet the war expenditures on the manufacturers alone is striking a blow at industry. It is striking a blow at the men of energy and ability who are willing to put their best efforts and their money into industrial enterprises. The minister said that he had collected from this source last year some $12,000,000, and he expected to collect, I think, $25,000,000 or more next year. He thought that everybody was perfectly happy because he had not received a single protest. Because people do not protest, because they do not kick up a row, because they are willing to bear a certain amount of the burden, is that a reason for soaking them a little more? I for one am not here to protest, find any fault or make any objection, as a manufacturer, to paying my fair share of the burdens of this war, providing the burden is laid upon all, rich and poor. The poor will pay according to their means and the rich will do the same. Take, for instance, the case of two men, the sons of a rich father. The father divides up and gives each of them a large fortune. One of the sons chooses to go into industrial business, into manufacturing, and he puts every dollar of his money and all the energy he has into the enterprise, and possibly injures his health by overwork. The other son takes his money and invests it in good securities. He sits back in his easy chair, clips his coupons when they come due; he is found in the South in the winter and in the North in the summer at a fashionable watering place or a place of recreation. What I ask is, is this man a special favourite who should be treated with special consideration? He does not do anything, he does not employ anybody, he is simply living on the energies of his father before him. He has put the money he inherited into investments, and has in this way made some money. But the other man has put his money in industry; he employs a large number of people, he pays good wages, perhaps ruins his health in doing so, and builds up a business and made interest on his money, but he is made the goat because he cannot get away. The minister has said: It is true we might resort to income tax and many other sources of taxation, but it would require a lot of machinery and work, and it is hard to get at them. Again I ask, suppose that two men are walking down the street, one a manufacturer and the other a professional man, or some other man, and they commit a crime that is punishable by penitentiary. Warrants are got out and the authorities seek for the offenders. They find the manufacturer—he cannot get away, he is tied down to his business. The other man skips to Mexico or some other place. They know where he is, but it is going to be a trouble to get him. What would you propose doing with the man whom you have? Would you hang him and make him suffer the penalty of the two because the other man is a little hard to get? There is just as much logic in that as there is in the minister saying that because it is a little hard to reach the man who spends his time clipping his bond coupons and looking after his income, because it takes more machinery to reach him we will leave him alone; but the man we have got we will hang or crucify, or do anything else to him we like, and make him bear the whole burden. A striking case came under my notice a couple of years ago. A man in the pulpwood business had got out a large stock of pulpwood, he got his drive in, and started up his dressing or rossing mill. The first week he was operating the mill it took fire and was

burned down. He had a big lot of wood on hand, but no mill to dress it. He went to his bank to borrow the necessary capital to rebuild. The bank said: In the first place, would we have furnished you money to make your drive and you have exhausted your line of credit? In the second place, it is not customary for the banks to loan money on long terms. You want money to build a plant; we cannot lend it to you. He looked around and came across some of these gentlemen whom I have described, who had some money. He told them his story. He said: I have my limit, a large tract of freehold lands; I am willing to give you a first mortgage on it; I want to raise $50,000 to build my mill; my limit is worth at least five times the money I want to borrow. They said: Very well, we will loan you $50,000 and take a first mortgage on your property, but we will take the first mortgage for $62,500, and we will charge you eight per cent interest on $62,500. There was no other remedy, he had to build his mill, he could not help himself. He borrowed the money, he gave a mortgage for $62,500 and received $50,000 in cash. These gentlemen are not touched by this legislation, they are not affected. I want to know from this House if that appeals to the members as anything like honest or sound logic, or sound taxation. I for one do not think it is. I am not opposed to paying 25 per cent, or 50 per cent, or 75 per cent, or the whole profits if necessary, provided that everybody else is treated in the same way, but I see no reason why I should be singled out. It is said by some: Oh, the manufacturer is making big money and he can afford to pay this taxation. Yes, we are making some money but what about the farmer? What about the price of wheat, $3 a bushel while the normal price is about 90 cents? What about the price of pork and cattle and other lines of agricultural produce? I was talking to a man in Montreal last week on this very question, and this gentleman told me that there were two firms of lawyers in Montreal, each man representing his own individual firm, and the income of each of these men was considerably over $100,000 this year from the office alone. I admit that they were probably the leading lawyers of the city, but this was their income from their office alone, to say nothing of their investments—and I am sure they would have investments because men of that income generally have some—I want to know from this House if there is any reason why men of this class, why men of all classes, should not contribute their fair share to the taxes that are necessary. We have got to be taxed, we are at war and it is every man's business to contribute his share and to do it cheerfully; but it is not right, it is not just, it is not honest, on the part of the Government to put the whole burden on the manufacturer alone. The minister does not seem to be quite satisfied, it is his second dose to one particular branch of manufacture. A short time ago the minister thought it wise on his part to fix the rate of newsprint at two and one-half cents, which is at least a cent a pound less than it can be produced for.

Sir WILFRID LAURIER: Hear, hear.

Mr. McCREA: The minister, I assume, would deny this, but the way he figures the cost of paper is the cost, taking it from the tree until it is delivered in a sheet of paper. The way I figure the cost of news print is as follows: The selling value of sulphite pulp is not less than $100, say an average of $100, and it requires 500 pounds of sulphite pulp for the manufacture of a ton of news print. In addition to that about 1,600 pounds of ground wood pulp is required for a ton of paper. That is 2,100 pounds, as there is about 5 per cent of waste in the conversion of pulp into paper. That pulp is worth to-day at least, selling retail as fast as we can make it, $40 to $50 a ton, put it at the lowest figure, $40; and 1,600 pounds of ground wood pulp at $40 is $32. You have $25 worth of sulphite pulp and $32 worth of ground wood pulp before you go to your conversion at all. Add to that your coal, labour, size and resin and the other necessities, and it will bring your pulp up to at least $70 a ton before you get a cent of profit out of it. I maintain that the cost of your paper is the value of the pulp that you can quickly sell for cash and not have to wait for your money or ship it, simply load it and get your money. That is the condition of the paper business at this present moment, and the minister, in his wisdom—no, I think not in his wisdom, I think he listened to the stories and the arguments of the publishers and did not wait to hear what the manufacturers had to say before he made up his mind and passed judgment on the question—fixed the price at 2½ cents. If he had been patient and had waited until he heard the arguments on both sides, he would have seen the wisdom of being a little fairer in the matter than he has been.

the right hon. leader of the Opposition, if I remember rightly, asked the minister the other day if an Order in Council had been passed fixing the price of newsprint paper, to which, I understand, he replied that no such order had been passed; that the parties had come to an understanding among themselves. Let me tell you how they came to an understanding. I was not at the meeting, but I was told about it by our manager, who was there. The minister simply told those present: if you do not accept 2½ cents, I will make it 2¼; so you had better accept what has been proposed. That is how they consented to it—with a club over their heads. They had to accept it. Perhaps the minister understands all about the conditions respecting the pulp and paper business, and perhaps he does not. I want to tell this House something about it. Prior to the month of March, 1916, some of the biggest paper industries on this continent had to re-organize; they were unable to pay even the interest on their preferred stock. In March, 1916, approximately 100,000 tons of ground wood pulp were piled in Canada, and there was, besides, a large amount on the other side. Trade had not been very good, the mills were running only four or five days a week; there was an over-production of ground wood pulp. The increased demand and the increased price commenced about March, 1916, and although the water condition last year was a good one and water was plentiful, that whole surplus of ground wood pulp has disappeared, together with whatever additional wood that could be ground. There is at present very little surplus ground wood pulp. Sulphite pulp and chemical pulp of all kinds is manufactured by a chemical process requiring but little power, and if there is a shortage of it the manufacturer can force his production and thus meet the difficulty. But ground wood pulp, 75 or 80 per cent of which goes into newsprint, is manufactured by a mechanical process and cannot be economically or successfully made by any other power than water-power. For instance, it requires 70 to 75 horse power working 24 hours to grind one ton of pulp, and if you generate power by steam or coal to grind pulp it will cost you so much that you cannot make newsprint of it. It has to be made by cheap power, and if the Almighty does not give you water you cannot grind pulp. This surplus that was piled out last March, together with the additional output, having been exhausted, what will happen if we have a dry season this year? I doubt very much whether the newsprint people will get all the paper they want, no matter what legislation the Finance Minister may adopt to help them out, because legislation cannot produce water, and nobody can make pulp without water. Although the price of nearly every commodity has gone up very materially, the manufacturers, of their own free-will, before any demand was made upon them by the Government, offered to supply the Canadian publishers with paper at 3 cents, which certainly would give them no profit. Under present conditions I do not know what induced the minister to take the course that he did; I know that in other lines of business the profits are very much higher than in the newsprint paper business. These he has not seen fit to touch, and wisely so; I am sorry that he was not as wise in respect to the newsprint business. Anyway, the general effect will be that capital will hesitate to put money into anything connected with the paper business, or into any other business in respect of which the Government sees fit to fix prices, especially unreasonably low. I was talking to a man in Montreal last week, a man of big means, who has the ear of many of the financial people of this country. He told me that he had made all necessary arrangements for the construction of a very large pulp and paper mill, but he said that when he went to New York and told his people that the Government had practically fixed the price of newsprint and was taking a big part of the profits he could not get them to listen to him for a minute. I believe that this Government is sincere and wants to build up the country, but I want to tell hon. gentlemen that interfering with the prices of commodities and putting the burden of taxation on a few people is not the way to build up the country. I candidly believe that the minister's apparent willingness to place all the burdens on the manufacturer alone and to let everybody else go scot-free has not been heard the last of. I notice that this measure of taxation, strange to say, is fairly popular, and one reason for its popularity is that it will touch only about 5 per cent of the population. If the minister has the courage of his convictions —and I believe that he has—he will frame up some tariff or some legislation whereby everybody in Canada will bear his fair share of the burden. If he does that he will not hear a whimper from anybody; every one will cheerfully bear his share of the burden and do his share. Let us con-

sider what has occurred in the case of the American people since the war started. At the beginning of the war they were under just as much obligation as England was to protect Belgium, but they did not fulfil their obligations under the Treaty. That was the first thing that made them feel rather ashamed when they began to realize that they had held back and allowed Belgium to be ruined by Germany. After the sinking of the Lusitania occurred, if you met Americans and spoke to them, you would find that they had rather a feeling of shame and that they would make excuses for the notes that were written by their President. But since the Americans have come out and said: We will do our share from now on, every American is smiling; he feels happy; he feels that he is no longer living securely at his ease behind other people's energies and efforts. The same thing applies to the taxation that is necessary for the carrying on of this war. If the Government had the courage they should have and fixed the burdens that should be borne by every one equally, every one would be happy and contented. But under present conditions there is not very much happiness amongst the manufacturers, whether of paper or of anything else. I suppose people will say: "Well, McCrea is speaking because this touches him." McCrea is no slacker. I will stand up and do my share, but I do not want to do some one else's share. I want every man, woman and child who have the ability to do it, to pay their fair share, and I think they will be perfectly satisfied to do so.

Mr. W. A. CHARLETON (Norfolk): Mr. Speaker, my hon. friend (Mr. McCrea), whom we know is a large manufacturer of paper and pulp, has said some things which made me feel it my duty to mention a concrete case in order to illustrate how the proposed increase in the taxation of profits will affect the employment of new capital in this country. The pulp and paper mills in Canada are working day and night and some of them on Sundays and yet they are unable to supply the demands.

Mr. McCREA: Actions have been instituted against four or five of them for working on Sundays.

Mr. CHARLTON: In the province of Quebec, actions have been instituted against four or five of these mills for violations of the Lord's Day Act. The condition that I have described shows that we require more manufacturers in this line of business, and I wish to mention a concrete case in order to illustrate how difficult it is likely to be to get capital invested in this particular industry. I know of an instance where Canadian capitalists were intending to create a plant which would cost not less than $5,000,000. They have spent $10,000 in surveying and laying out the plant and in laying out a town to accommodate 5,000 people, and the expectation was that the capital invested would amount to nearly $10,000,000. Immediately after the

11 p.m. Budget speech in which the Minister of Finance announced that the tax on profits over fifteen per cent and up to twenty per cent would be fifty per cent, and on profits over twenty per cent would be seventy-five per cent, these capitalists immediately said: We will go no further, and they threw up their hands. That is the way in which the proposed increase in taxation affected that enterprise. One gentleman who was deeply interested in this case went to New York ten days ago to negotiate with some people there who control about $36,000,000, and who had intimated that they intended to invest largely in the manufacture of paper and pulp in Canada. The result of his interview with those capitalists was that they simply said: "We are afraid to invest in Canada; we might figure out how we could get along and pay this tax; but we are afraid of something the Government might do which would tie our hands; we have our money in our pockets and that is where it will remain." If legislation frightens away capital, if it does not encourage capital especially in an enterprise in which it is very much needed as in this particular one of paper and pulp, there is something wrong which should be remedied. I do not rise to complain in regard to the Government; I think perhaps the Minister of Finance has done the very best he could in studying out this matter, because we certainly need more revenue. I am stating this case to show what the effect is. I could mention other cases and it seems to me that when the effect is what I have stated, some remedy is necessary.

Mr. F. F. PARDEE (West Lambton): Mr. Speaker, the hon. Minister of Labour this afternoon delivered a speech in which he eulogized himself and the Department of Labour in every way that he possibly could. With that I have no fault to find. He is satisfied with himself, and perhaps the rest of us ought to be satisfied with him; perhaps the country ought to be satisfied with

him, but strange to say, even although he will admit himself that he has made a most excellent Minister of Labour, the country will be loath to agree with him. There were some things that he particularly laboured upon, namely, the price of various commodities, such as coal, foodstuffs, etc., and yet when I questioned him, it appeared to me that the Minister of Labour sidestepped in answering those particular questions which are pertinent—although he did not seem to think so—to the carrying on of the war and to the welfare of the people of Canada. He sidestepped as only the Minister of Labour can; for the pure and simple reason, in my opinion, that he had no other course to pursue, because he had done nothing in regard to the matter. In his address this afternoon, his defence of the Department of Labour was that he had sent out many questions to many dealers; that the questions had been answered; that the dealers had told him that they had so much produce on hand; that it had cost them so much money and that they could sell it for so much money in order to make a profit. The minister, however, did not tell us that they sold it at a reasonable profit.

The minister sent out 'questionnaires' as he called them; I am not familiar with the word, but I suppose it answers the purpose. These cards were sent out, and the answers came in. The minister found out what a particular thing cost and what it was being sold for, and then, to use his own words, he 'got after them.' The Minister of Labour may have got answers, but by this Order in Council he shifted the responsibility on to the shoulders of the township councils. From the time the Liberal party went out of power in 1911 down to the present day of grace there has been no government in this or in any other country that has appointed the same number of commissions in order to avoid responsibility, as has this Government. The Minister of Labour has followed this thing out in a way that he thinks is commendable to himself and to the Tory party, but the people do not think so. What did the Minister of Labour say this afternoon? He said they had looked up the cost of foodstuffs all down the line, and in every case they had taken care of the matter. But, Mr. Speaker, the proof of the pudding is in the eating. Never has the Conservative party lacked leadership so much as at the present moment, when we are at the greatest crisis in our history.

Some hon. MEMBERS: Oh, oh.

Mr. PARDEE: My hon. friends may laugh, but let them tell us what they have done. They may laugh in their complacency, but the question the people of this country are asking is the very question I am asking to-night. The hon. Minister of Labour entered into a long dissertation this afternoon as to what this Government had done in the interests of labour and the common people of this country, and my hon. friend from Northumberland (Mr. Loggie) said truly that the minister was only reiterating and reiterating what he had been telling the House ever since the session opened in twenty-one columns of Hansard. But, as I said before, the proof of the pudding is in the eating. The minister tells us he has sent out his men, that they have looked into these things, and that he has read such cards as he has picked up here and there in his department. But does the fact that the dealers have filled in the cards showing the amount of stuff they have on hand, prove that they are selling their goods to the people of this country at only a fair profit? The minister mentioned Hamilton. He pointed to that city as if everything there was as it ought to be. Let me read to the House from a report of the last meeting of the Hamilton City Council:—

> Some startling information regarding the holding of food and fuel supplies in this city was given to-night to the City Council by Alderman Langes, chairman of the High Cost of Living Committee. Alderman Langes presented a report of the Committee's activity that showed some men were holding potatoes in large quantities here, and how indifferent the Government appears to be regarding the situation. Following this statement, he submitted a resolution that the facts be submitted to the Government, and that it be asked to prosecute these dealers under the Order in Council passed last fall. This was carried unanimously.

Might I say, in passing, that although the Minister of Labour said that his policy was to get after the dealers as soon as he found they were charging exorbitant rates, up to this very day the Government, although they have the power, have not entered one single prosecution against dealers who have been charging exorbitant rates; not one. The report goes on:—

> Alderman Langes said that they had learned that one firm alone in this city was holding between 4,000 and 5,000 bags of potatoes, which it had bought at from $1.03 to $2.00 per bag. They also had information that some coal dealers were holding large quantities of coal from last winter that could be sold at slightly above $8 per ton and for which they asked as high as $12 during the coal shortage. Bakers were also acting contrary to the Combines Act.

The Minister of Labour would not allow me to go on with my questions in the House this afternoon as to whether this report was true or not. He appealed to you, Sir, and I was ruled out of order. Let hon. gentlemen listen to what follows:—

This information was placed before W. T. O'Connor, K.C., representing the Labour Department. Mr. O'Connor complimented the Committee (Hamilton Committee) on its activities, and stated that no other city in Canada had gone so far under authority of the Order in Council. He left for Ottawa, promising that some one from the department would be here in two or three days. The Committee waited two weeks, but no one came. Word was sent to Ottawa and J. C. Imlay came to the city from the Department at Ottawa. He promised that necessary action would be taken but no word has since been heard from the Department. Alderman Langes said that he believed that both Mr. O'Connor and Mr. Imlay were sincere, and he did not like to blame the Government but felt they should demand an explanation. He then presented the resolution referred to. "We have gone as far as we can," he added, "and the Government must either take action now or refuse."

Has anybody heard a noise like the Government taking action? I have not heard it; the people have not heard it; Hamilton has not heard it. As is usual with the Department of Labour, nothing is being done; the whole matter is in abeyance, but some day, no doubt—not now, because there is no precedent for it—the Minister of Labour will wake up and look into the matter. The report goes on:—

Mayor Booker said no person in that Council could fail to regret that the Government had been so slow in taking action on food and on other conditions. It did not appear to have the backbone that was shown in the United States.

Where is the Solicitor General (Mr. Meighen) who wanted—

Mr. MEIGHEN: Here.

Mr. PARDEE: He is here? Let him speak up.

Mr. MEIGHEN: What action has the United States taken?

Mr. PARDEE: The action of saying that they would take food under control and would see that excessive prices were not charged.

Mr. MEIGHEN: Had not the hon. gentleman (Mr. Pardee) better wait until they do that?

Mr. PARDEE: Wilson has plainly laid down the policy, and the hon. gentleman (Mr. Meighen) need not quibble. And Wilson has not been at war three years before laying down that policy.

[Mr. Pardee.]

It did not appear to have the backbone that was shown in the United States.

Strange, that the friends of the Government in Hamilton should compare them with the United States!

They were merely asking it to protect the people instead of catering to manipulators.

If the Solicitor General can get a grain of comfort from this report upon the action of the Government—and no doubt that report was made regardless of friend or foe politically—he is welcome to it. While what I have read shows the state of affairs existing in the city of Hamilton to-day, it is only a sample of what exists throughout the province of Ontario and throughout the whole Dominion. It only goes to show, more strongly than anything I might say, that it is high time this Government waked up and exercised some kind of control over the prices of fuel and of food and prevented the holding of excessive quantities by dealers. The Solicitor General smiles. I knew he would; he always smiles when he has nothing to say. But the fact remains, and the Solicitor General and the rest of the Government would do well to bear it in mind, that the common people are looking to the Government for relief from the present excessive prices. The Minister of Labour this afternoon, in his own easy way, and without knowing what was doing here or what was doing there—just trying to get over the hill with the least inconvenience—said: "The working people have more money than ever before; they are better off than ever before." They have more money, but they are not better off. They have more dollars, but a dollar does not purchase the same quantity of food and fuel that it purchased five years ago. Large wages are paid? Who said anything to the contrary? But the average worker is not as well off to-day as he was five years ago with a much smaller wage. The Government cannot get away from this fundamental truth, that what is needed to-day, as it never was needed before, is some direction as to foodstuffs and fuel; what is needed to-day is that the Government should afford that direction even if they have to name a food dictator as has been done in England, or even though they should take these products and regulate their distribution. And they should do that irrespective of whether the effect is to hurt or help their political friends. This is what is needed for the good of Canada, and nobody will admit it more quickly than the Minister of Trade and

Commerce (Sir George Foster) himself, for he realizes as no other member of the Government, or the Government as a whole, realizes, that what the country wants to-day is guidance on economic lines. You may say what you like, you may use what sophistry you like, but the fact remains that, irrespective of the Minister of Labour's—I cannot call it a speech, but I will call it an attempted explanation—what the people are looking for is for the Government to give them some lead, in order that they may be relieved from their present necessities which are dire. The people of Canada are facing a crisis, and the sooner the Government realize that fact, the better it will be for the country. You cannot have a cataclysm such as that which has come upon the world to-day without having it affect every nation and every dependency of every nation that is engaged in war—and Canada is in it to the hilt. The sooner the people and the Government recognize that fact, and the sooner they realize that every step that is possible must be taken to conserve every resource we have, the greater will be the help that we can give to the Empire, the more effective will be the sacrifice which we are making of our best blood and best fibre for the upholding of all that we believe to be just. I doubt that the people of Canada, wealthy, prospering as they are, realize that their present condition is a superficial prosperity and that the day of reckoning must come. But such is the fact, and the sooner we prepare for that day of reckoning the better for the Dominion and for the Empire. These are plain truths.

I have one word to say in conclusion. The hon. member for L'Islet (Mr. Paquet) spoke of the Bonne Entente. It would be far better for all elements in this Dominion if they would recognize and live up to a real bonne entente. This country is great, perhaps one of the greatest under God's sun. But if we are still to keep up in the years to come the schisms that certain elements have fostered in the years past, we cannot get the best results from the whole people.

There are elements, and every sane man knows it, that cannot be absolutely controlled in this country. But there are certain other elements which ought to be big and broad enough, and Canadian enough, to see that the fires of these certain other elements are not fanned into flame but that instead they ought to be met in a way that will promote the best Canadianism because, by promoting the best Canadianism, you promote the best Imperialism. These flames ought not to be fanned or nurtured but every man who has the interests of the country at heart, ought to sink these miserable differences for the good of the whole, stand by Canadianism, and Canadianism only, and make this country what it ought to be and what my leader has attempted to make it—

Some hon. MEMBERS: Oh.

Mr. PARDEE: I was sure I would get a response from the other side; they could not help it. Let us try, I say, to make of Canada what my right hon. leader has attempted to make her: one united Canada, irrespective of any class or creed, in order that our country may become absolutely a nation within an Empire, and a prop and stay of the British Empire.

Mr. ARTHUR B. COPP (Westmorland): Mr. Speaker, during the progress of the debate it apparently has been in the minds of hon. gentlemen opposite that hon. gentlemen on this side of the House should not take up time in offering any criticism, making suggestions or discussing public matters generally. That is not new on the part of hon. gentlemen opposite, but more emphasis has been placed upon it during this debate than I have ever noticed before. If I had no other reason for saying a few words on this occasion I would have a good text in the pamphlet which I received through the mail this afternoon. I find this pamphlet endorsed:

> Address delivered by Lt.-General Sir Sam Hughes, K.C.B., M.P., to his constituents of Victoria and Haliburton counties at Lindsay, Ont., April 28th, 1917.

I have not had an opportunity, Sir, of reading this speech through very carefully but I have scanned it hurriedly and some of the paragraphs in the address have appealed to me as a very good reason why not only hon. gentlemen on this side of the House but hon. gentlemen who were the confreres of the ex-Minister of Militia and Defence might consider carefully and sincerely what is their duty in regard to the public matters that are now occupying the attention of this House and the country. Hon. gentlemen opposite say that the members of the Opposition offering criticisms are, to a certain extent, wanting in loyalty and patriotism and they go so far as to suggest that while we are offering these criticisms we are adding fuel to the fire and

giving confidence and assistance to our enemies in this great war.

This afternoon we were treated to an exhibition rarely, if ever, witnessed in this or any other deliberative assembly, not by one of the ordinary members of this House but by a minister of the Crown (Mr. Crothers) who took us to task for taking up so much of the time of the House unnecessarily and wasting not only the time of the House but of hon. members who are sent here as the representatives of the people. He was so careful that he figured out how much time was actually wasted in the discussion of public affairs by hon. gentlemen on this side of the House. He figured out that we were wasting so many hours per day for so many days. That hon. gentleman during the address he delivered in this House a few evenings ago, took up about two hours of the time discussing the administration of the Labour Department, of which he is in control. To-day he saw fit to take two hours more discussing the very same question, as pointed out by my hon. friend from Northumberland (Mr. Loggie) this afternoon. Therefore, we have four hours of the time of the House taken up and to follow the mode of calculation of my hon. friend this afternoon, 200 members of this House were each kept here for four hours, which would mean 800 hours altogether, and as the House sits about six hours a day, the minister consumed 133 days of the time of the members discussing one question in this Parliament. In spite of the self-adoration of the minister, I doubt very much whether the information he gave to the members of this House and the people of the country is worth 133 days' time. But the hon. gentleman took that time, and while he took that time he complained that we should take any time whatever discussing these public questions. I would like to ask my hon. friend what the Opposition are here for if they are not to make any statements, offer any criticisms or make any suggestions, or to represent the minority of the people. I contend, Sir, that it is not only the right but the duty of hon. members of this side of the House to discuss public questions, because it is only through criticism and discussion by hon. gentlemen on this side of the House that public matters get to the people through the public press giving reports which are taken from what takes place in this great theatre of public discussion. My hon. friend was very much alarmed because of the time that we have taken up, but I would point out that the hon. member for Brantford (Mr. Cockshutt) took up the time of the House the other evening criticising the Government of the day more severely than any member on this side of the House has done, and that he made the statement that the Department of Labour had absolutely done nothing to help the people by reason of the policy which they had pursued in past years and particularly during the present Parliament. But to go further back than that, what do we learn from the hon. the ex-Minister of Militia and Defence (Sir Sam Hughes)? In the speech he made to his constituents, earlier in his remarks, I find this statement:

Since then, however,—

That is since making his speech in the House in the early part of the session.

—several members and others have learned a few of the facts, and they regret that I did not inform them at the time, so that prompt and decisive action in the premises could have been taken by the party.

Now what does that mean? The ex-Minister of Militia and Defence says that his own confrères told him that they were sorry and regretted that he had not made known to them circumstances that had been taking place and conditions that were affecting the public welfare of this country while he was one of the members of the Cabinet doing the business of this country. Well, Sir, they have those facts now. I would ask my hon. friends if the statement made by the ex-Minister of Militia and Defence can mean anything but that there have been bickerings, dissatisfaction, pulling in opposite directions, among the members of the Government in regard to the business of carrying on the war, instead of their working harmoniously together in the interests of the people and the conduct of the war to a final triumphant conclusion. The ex-minister says that these bickerings occurred not only recently, but two or three years ago.

But let us go a little further. We find that the ex-Minister of Militia makes certain charges against his colleagues in the Government. Those charges have been read to the House on different occasions, and I do not propose to put many of the quotations on Hansard that I see before me in this pamphlet that has been received by me to-night. But there are one or two to which I wish to refer. He refers in one place to trouble in the Cabinet when he returned from Valcartier. A sub-committee of the Cabinet had been appointed to look after some purchasing contracts, and he says:—

When I had informed the proposed committee of their appointment and of my plans I suggested that they should immediately secure options on all commodities known to be wanted. Prices were then normal. At once options were secured on large numbers of horses on woollen goods, and on certain powder commodities. It was therefore rather a rude shock to my proposed committee to find that authority had been given to a sub-committee as stated; but there was nothing to be done but frankly inform the parties from whom the options had been received of the change in plan and to cancel the options.

What does that mean? It means as plainly as the English language can convey any meaning that the ex-Minister of Militia and Defence had made arrangements and secured options on the requirements of different supplies of horses and all of these things quietly, while prices were normal and before they commenced to soar on account of the war. He tells us in a statement to his constituents that this was all swept away, that the options that had been taken for the purchase of these goods at normal prices were set aside, and we all know how the prices soared and what enhanced prices we were obliged to pay as compared with those that we would have paid had the suggestions and undertakings of the minister been carried out. In another place he says, along the same lines:—

All this action never cost Canada or Great Britain one dollar. Further, had the options on goods in the ealier part of the war been accepted at the time I had recommended the Committee, the saving to the British Government in the first six months of the war alone, would have been upwards of one hundred million of dollars.

That is a pretty concise statement made by a responsible minister of the Crown at that time, and he charges this Government, those having the responsibility of conducting the purchases on behalf of the British Government in this country, he charges against them, without any equivocation, that had these recommendations been carried, out, and had the goods and supplies been furnished on the options he had obtained in the interest of the people generally, the British Government would have been saved in the first six months of the war upwards of one hundred million dollars. Then our hon. friends opposite hold up their hands in holy horror and shed tears because we on this side of the House take the opportunity of bringing these matters to the attention of the Government and to the people, through the avenue of this forum where these matters are properly discussed. I say that no member of the Opposition has ever made so strong a statement in regard to the weakness and the recklessness of the Administration who had charge of the purchase of supplies, as is made by the ex-minister himself. He says:

Let us now turn to another aspect. At the outbreak of the war, as I have stated, Canada had practically been brought to the verge of bankruptcy.

Now hon. gentlemen on the other side of the House during this debate have charged that at the time of the defeat of the Liberal Government in 1911 Canada was on the verge of bankruptcy, and one hon. gentleman opposite said something like this: But the good Lord stepped in and intervened just in time to save Canada from bankruptcy. If the defeat of the Liberal Government in 1911 was the result of the intervention of the great Creator, then that old-fashioned Methodist hymn appeals to me more strongly than ever: "God moves in a mysterious way, his wonders to perform." If the Lord intervened in this case and put my hon. friends opposite in possession of the treasury benches to save the country from bankruptcy, then I want to ask my hon. friends opposite what answer they make to the charge of their colleague, their supporter, the gentleman with whom they have lived for so many years and have worked with hand in hand. He says:

At the outbreak of this war Canada had practically been brought to the verge of bankruptcy, and my fear then was that we would not be able to maintain more than one division in the firing line.

Because why? Because we had not the money to supply other divisions. On the verge of bankruptcy! We had not the money to supply the men, to supply the divisions, according to the hon. gentleman. He says further:

I had on two previous occasions pointedly drawn the Finance Minister's attention to the fact that his function was to produce a revenue, keep the business of the country buoyant, and thus, everything being prosperous, money would be easily obtainable. In this, however, success did not attend his efforts; or, rather, my suggestions were not accepted by that gentleman.

The hon. gentleman goes on and gives his warning. He speaks of the Nationalist party and the sorrow it gives him to have to offer these criticisms of the record of his own friends. Hon. gentlemen opposite as well as hon. members on this side of the House have, during this debate, as in all other debates in this House, referred, and properly so, to the responsibility rest-

ing upon Canada as part of the British Empire in the conduct of this war.

I do not know any better slogan that can be adopted in Canada than one which is now being used more or less throughout the country, and that is: "Win the war." I understand that during this month delegates from all over Canada will hold a win-the-war meeting in the city of Montreal. I do not for one moment insinuate, as our friends opposite do, that there are disloyal men in this House, on either side of the Speaker's chair. I do not want to say to hon. gentlemen opposite that they are not doing the best they can. While some people in the country may not have done as much as they might have done, I believe that the feeling uppermost in the mind of every loyal Canadian is that of willingness to do his best to assist in winning the war. But while the people can do their part; while individual members of Parliament can do their share, yet the lead must be taken and the trail blazed by the gentlemen who occupy the treasury benches, because only by them and through them can the country's efforts be best directed to assisting the Allies in this great conflict. I have said that there are three great elements entering into our participation in the war: we must have men, we must have money, and we must have munitions and supplies. Hon. gentlemen upon whom rests the responsibility for the conduct of our part in the war must come to Parliament and get money for that purpose. I want to ask hon. gentlemen opposite if they can offer one word of criticism against hon. gentlemen on this side in that they have refused to vote any of the money asked for by the Government in connection with Canada's part in the war. I have yet to learn, Sir, that any such criticism could successfully be made against the attitude of the Opposition in this respect since the outbreak of the war. Money has been voted in three sessions of Parliament; in the session which is now proceeding, part of the supply has already been voted. The burden rests upon the shoulders of the Government to spend every dollar of that money economically and in the best interests of the people of Canada and especially of those who are engaged in the war. We are not here to offer carping criticism in regard to small matters, but the financing of the war is a serious responsibility, and those who have charge of the expenditure of the money voted by Parliament should see to it that every single dollar goes into the proper channel and is devoted to serving the best interests of the people. If the statements made by the ex-Minister of Militia and Defence, extracts from which I have read, are correct, a serious condition is revealed. He charges that in the first six months of the war alone, hon. gentlemen opposite wasted $100,000,000 of the money of the British Government. When we see that hon. gentlemen opposite are unable to work together in the interest of the whole country; when we see that they have thrown away in six months $100,000,000 of British money, is there not fair ground for the suspicion that money that has been taken from the people by way of taxation has been wasted? We know from investigations held, evidence adduced and findings made in different parts of Canada—I speak more particularly of my own province and the Maritime Provinces—that money has been wasted; that money has been taken from the proper channels and been diverted to the pockets of middlemen who had no business to act in that capacity. Not a few paltry dollars, Sir, but hundreds of thousands of dollars have gone into improper channels, and, this being the case, it is the duty of every hon. gentleman to bring the matter to the attention of the public. We do this not because we desire to embarrass the Government, but because we believe it is our duty to serve the best interests of the people who sent us here and who have not the opportunity of coming here and discussing it themselves. We in this House are only saying in a mild way what the people of the country generally have been saying in regard to the wasteful and extravagant expenditure that is going on. Should we be any more subject to the criticism of hon. gentlemen opposite for discussing these matters than the public press? You can scarcely pick up a newspaper which does not contain criticism of the Government and articles pointing out the blunders and mistakes made by hon. gentlemen opposite. Not only newspapers friendly to the Opposition, but newspapers friendly to the Administration are offering criticisms and making suggestions with the idea not of embarrassing the Government, but of bringing about efficient administration and serving the best interests of the people generally. Newspapers are finding fault with the Government; individuals are writing thousands of letters in regard to these matters; yet we are charged with being disloyal because we

bring the attention of Parliament to them.

Why, Sir, we have charges of extravagance made in our municipal and town councils, and not only that, we have them from the pulpits. During the past year it was rather a miracle if when one of us went to a divine service on a Sunday morning, the minister did not preach a sermon against graft, wastefulness and extravagance, and single out the very men who had been feeding at the Government trough during the past five years and becoming rich at the expense of this country on war contracts; yet, we as members of Parliament, are told that we should come here and having eyes that see not and ears that hear not, and, to go a little further, voices that speak not, because forsooth, something might drop that might cause some embarrassment to the Government in doing their part in the conduct of this war.

We have given the Government money and they must accept the responsibility for the proper expenditure of it. The next question is with regard to the men. When the war first broke out, and the first call was made, a large number of our heroic young men immediately volunteered for service abroad and were at once hurried to Valcartier where they were placed in training camps in order to prepare for their duties in the field. I do not want to detract any of the credit that is due to the Government or due to the Minister of Militia at that time for the part they took in getting those men in training ready to go to the front. The first contingent sailed in the latter part of September, 1914. After these men had gone, others were enlisting; recruits were being asked for and thousands were being hurried forward to do their parts. Finally recruiting officers were appointed in different parts of Canada; recruiting meetings were held, and recruits were asked for to step into the ranks and enter training camps in order to fit themselves for service at the front. Shortly after that, a hundred thousand men were asked for, then up to two hundred thousand men, then up to two hundred and fifty thousand men, and finally, I believe, on the 1st of February, 1916, the Premier of the Dominion promised that Canada would supply 500,000 men. Unfortunately for Canada, unfortunately for the Empire, and more unfortunately still for the Canadians who are already at the front doing their part, the enlistments have not yet reached that total. I sincerely trust that some action will be taken by which the young men of our country may be induced to realize what is their duty in defence of their country and in recognition of what our boys have already done, and go to the front to fill the gaps that are unfortunately too often occurring. All who have gone across the water to fight the battles of the Empire are of the best blood of Canada, and wherever we have had any report of any engagements in which our Canadian boys have taken part nothing but the very best word has been received of their

12 p.m. valour. We know of the grand stand they have made in different places, and last, but not least, of the magnificent stand they are making now at Vimy Ridge, where the fight has been raging for so many days, and where so many of our boys are falling. The casualty lists are large and let us hope that many young men in this country will come forward and fill the gaps. We sincerely trust that the Government will take some action in the matter, and I am sure I am voicing the sentiment of every hon. gentleman on this side of the House that anything we can do to assist the Government in recruiting and assist the Empire in winning this war we have always been prepared to do if the Government are prepared to take the responsibility of doing their part.

Even after we have the men, men are absolutely useless at the front unless they have munitions and supplies of food and clothing. Here is where an opportunity occurs for the Government to do the noble thing, the grand thing, the big thing, and to hand this matter over to a commission, which will be prepared to make the necessary purchases in the interest of the country and not in the interest of a few profiteers. During the time this war has been going on, and where purchases have been made in the different parts of Canada, there has not been exercised that care that is becoming to the ordinary capable business man who would see to it that he purchased the necessary supplies in the economical way that we believe was the duty that this Government owed to the people of Canada. We have been accused of disloyalty; we have been accused of wasting time; we have been accused of not doing our duty in regard to recruiting and other matters in connection with the war; but fortunately for this side of the House we have one loyal man left, and that is my hon. friend from Red Deer (Mr. Michael Clark). Hon. gentlemen opposite always pay him the very high compliment of putting him almost on the same high pedestal

and plane in which they place themselves in regard to the conduct of the war. They went so far the other day, I believe, as to offer an invitation to my hon. friend to come over, saying that he would be more happy with them than he would be with us. In fact, they prepared a chair trimmed with fine purple and gold lace and urged the hon. gentleman to come over and occupy it. I can imagine my right hon. friend the Minister of Trade and Commerce, and my hon. friend the member for St. Antoine (Sir Herbert Ames), the archangels of protection, leading my hon. friend, the archangel of free trade, over to the other side of the House to hobnob with them in regard to the conduct of the war. We are glad to know that we have on this side of the House one man who appeals to the loyalty and the good feeling of my hon. friends opposite. While we respect the hon. gentleman's opinions in regard to this war, I do not think there is a gentleman on this side of the House but is just as loyal, has just as much sympathy and just as much desire to see the Allies win this war as our very eminent colleague on this side whom we all respect.

There has been a good deal of criticism in the newspapers because recruiting has been slow, and many reasons have been given for that condition of affairs. One reason is that it is due to the extravagance of the Government, but I think one of the strongest reasons that can be urged as a cause of the slow recruiting in the Dominion of Canada is because throughout every province where recruiting meetings have been held, where officers have been appointed, where supplies have been purchased, everything that has been done in connection with the enlisting, training and equipping of our soldiers has been conducted along a purely political patronage arrangement, and the people in the various provinces have come to realize that they are not being properly treated, because they feel that the war and the expenditure in connection with it should be carried on without this political patronage.

But even at this late date I believe that if the Government were big enough to do their part our young men would come forward by the thousands and fill up the gaps in the ranks. Why does not the Government follow the preachments of the Minister of Trade and Commerce? That hon. gentleman was very eloquent last session and again this session on the subject of political patronage, and I really believe he meant what he said at the time. "Political patronage," he said, "I hate it." Yet in spite of the influence one would think he would have with his colleagues, the same thing goes on day after day and week after week and year after year. Only a few days ago the Minister of Trade and Commerce made a statement in the House in regard to the high cost of living. He said that we must produce more, and save more. As this is the hon. gentleman's opinion, I would ask him first of all to have a heart to heart talk with the Minister of Finance, pointing out to him his duty under present conditions. Then let him have a talk with the Minister of Militia and every other member of the Government. We always listen to the hon. gentleman with a very great deal of pleasure, but when this Government does not act up to his preaching, when we realize that his words are simply words and nothing more, we may well doubt whether this Government intends to do any better in the future. The Minister of Trade and Commerce took the right attitude in regard to production and still more production, the necessity for thrift, and the avoidance of waste. It is, of course, the farmers of this country that we must look to for greater production. What encouragement, I should like to know, is this Government giving to agriculture at the present time? We have heard a great deal about the farmers of the West, but very little is said of the farmers of the East. At last, after many years, and in spite of the arguments practically throughout the whole history of the Conservative party that it would be suicidal to this country to open up trade avenues with the great republic to the south, in spite of their determination to have no truck or trade with the Yankees, they have at last granted facilities for the free interchange of wheat and wheat products between this country and the United States. Wheat, of course, is grown largely in the West, but a large number of farm products are also produced in the Maritime Provinces and in Quebec, and our people would have been glad to see the Government go a little further in this matter of free trade with the United States, and give our farmers in the East free bran and shorts to feed their cattle. They would have liked to see the Government give them cheaper feed for their dairy cows, and then we would not have to pay 50 cents a pound for butter. A great deal has been said about the high prices

the farmers are getting, but it is a fallacy to suppose that they are reaping much extra benefit from the present high prices of farm products. Practically the only farmers who are reaping any benefit at the present time are those who were fortunate enough to have a fairly good supply on hand when prices began to soar. For instance, a man with a barn full of cattle a year ago would certainly profit by the present high prices, but when he wants to replenish his barn he has to pay a high price himself for his young cattle, and for their feed, and consequently on this second lot he will be making no more profit than in ordinary times, and the same thing is true in regard to other products of the farm. A man who is getting 40 cents for his eggs is really no better off than he was a year ago when he was getting 25 cents. The high prices for farm products are discounted by reason of the fact that it takes more money to buy feed and flour and all the other commodities that the farmer needs.

A great deal has been said in this House on the high cost of living; we had a debate on that subject only the other day. The hon. member for West Lambton (Mr. Pardee) has referred to the remarks of the Minister of Labour on that subject this afternoon. The Minister of Labour would have us believe that the Government have seized every opportunity to bring down the high cost of living. Judging from the minister's remarks, he has been very busy looking into these matters. With the exception of a short recess we have been sitting here continuously from January, and there has been hardly a day in all that time when the necessaries of life have not been rising at an enormous rate. Only the other day flour went up by $1.20 a barrel, and that was rather a staggering blow for hon. gentlemen in this House, and for the people of this country.

Some hon. members on this side asked the Minister of Labour what action had been taken. It then appeared that a jump of $1.20 a barrel in the price of flour in one day had awakened the minister from his slumbers, and that he had taken action. He stated that he had grappled with the situation and had done all that could be done. And what action had he taken? He had sent Mr. O'Connor to Montreal to inquire into the cause. And Mr. O'Connor must have done good service, for the next day the price of flour went up sixty cents more. The Minister of Labour took a great deal of time to explain what he had done. It appears that he has received reports and has had these tabulated, and that a great deal of other work has been done in the department. But while this has been going on the prices of the necessaries of life have been advancing and are advancing to-day, and we are getting beyond what is reasonable and beyond what the ordinary people can afford. When it was suggested by my hon. friend from Richmond (Mr. Kyte) and others on this side that we should commandeer wheat, or commandeer the flour mills, or take some either action, what was the reply of the Minister of Finance (Sir Thomas White)? That hon. gentleman figured out that there was in Canada 100,000,000 bushels of wheat and that if we commandeered this at $3 a bushel, three hundred millions of money would be required in order to take charge of it. Does the Minister of Finance really think that the people can be hoodwinked and fooled in this way? It does not require the raising of $300,000,000 to commandeer wheat for the people. All the minister would need to do is to repeat what he did in regard to newsprint paper, or what the Minister of Labour said he had done when certain railway corporations refused to accept the finding of the board of conciliation. In this latter case the Minister of Labour simply said to these people: You will be coming to this Government and asking for privileges some of these days, and unless you pay the men the wages reported by the board, you will not get any privileges. If the Minister of Finance should go to his friends the millers and to his friends who control commodities in this country, and tell them that unless certain things were done he would take action, that action would never need to be taken. These people would simply do what they believe to be in the interests of the country, as led and directed by the minister.

I have said that the prices of the foods that are required on the table of both rich and poor alike are going beyond what is reasonable. It is very well for us who, possibly, are in such circumstances as to be able to supply our tables with all we want irrespective of the high prices, to gather here and offer our tribute of sympathy to those who are less fortunate. But let me tell the Minister of Finance and the Minister of Labour, who give such loud assurances that the people of Canada were never so well off as they are to-day, that, while they may represent the condition of affairs existing in their own constituencies

or in those sections of the country which they know best, they are not setting forth the condition of affairs existing in many of the counties, towns, and villages known to me and in which I have been within the past year. The unskilled labourers, the men who have to go out with pick and shovel to earn a livelihood, are not getting a full supply of even the necessaries of life to-day. I do not charge the Government with bringing about this condition, but I say that this condition exists—that many wage-earners are not receiving enough to furnish their tables with the food necessaray for their families. And, this being so, something should be done if it is at all possible. The Minister of Labour tells us that he is keeping tab on the coal dealers of St. John and of Montreal. But I do not need to ask the Minister of Labour when I need certain information with regard to food prices and the causes of inflated value. Go to the grocery store or to the market, right here in the city of Ottawa, and ask why eggs are at their present price. You will at once receive the information that eggs are being bought up by gentlemen who are putting them away in cold storage with a view of enhancing the prices and making the people pay more than eggs are worth. And what is happening in regard to eggs is happening in regard to other food products. The people of this country must have that which will keep body and soul together. And when the Minister of Labour says wages are high in this country, he is probably referring to the wages of skilled labour. It is true that in the manufacture of munitions and in other skilled employments high wages are paid. But the wages paid to the common labourer are not sufficient to enable him to meet the rise in the prices of foodstuffs. The $1.50 or $1.75 a day that the ordinary labourer used to receive three years ago, had greater purchasing power than the $2 or $2.50 he receives to-day. And, while I sympathize with anybody who has to pay extortionate or extravagant prices for the food or clothes required for his family, yet I realize that the man with the high salary can afford it, and does not need much sympathy. When flour could be bought at $5 and $6 a barrel, the labourers could get along very well without much meat, for flour was a cheap food for the family table of the poor man. That is past and gone, and it is the duty of the Government, of the Labour Department and of all concerned, to make any suggestions that will assist the ordinary man to get along better on what he has and to live happily and in a more contented way.

My hon. friend the Minister of Finance brought down his Budget the other day in a few well chosen words, and wound up by telling us that the country was very prosperous. He proved beyond peradventure that the country was prosperous because of the war. Trade and revenue had improved, and we were better off to-day than we were in 1913. If Canada is better off to-day than in 1913, she can only be better off because of the war. Therefore, if we want prosperity, I suppose it is better to have the war continue as long as possible; that would be the logical conclusion one must come to from the reasoning of hon. gentlemen opposite. We take the hon. gentleman's statement, and we find that in 1913 the revenue was only $130,000,000. That increased a little in 1914, and it increased again last year, when the revenue amounted to $232,000,000. That is a wonderful increase in revenue, and therefore the country is prosperous. I am glad to know that Canada is getting on so well from the financial standpoint, and that she has been able to finance this war. But I would draw the attention of the minister to the fact that this increase in revenue and trade represent an illegitimate prosperity, and one that cannot be permanent. Very soon after the close of war we must get back, not only to where we were, but very much below where we were when the war broke out, because trade will be dislocated, and we will be undergoing a very rapid and necessary change. Under these conditions I do not think we have very much to be thankful for. He says that while we have spent $172,000,000 on ordinary and capital account we have the large and magnificent sum of $60,000,000 to devote to war expenditure. Hon. members on this side of the House have, during the last two or three years, and especially when the estimates have been under consideration, tried to point out to hon. gentlmen opposite that it was their duty to curtail and stop unnecessary expenditure, to get down to hard pan, where the hon. Minister of Trade and Commerce (Sir George Foster) would have us if we would judge by his remarks and his estimates. We should keep the expenditure down to as low a point as possible. I find that in 1911 we only spent $118,000,000 on ordinary and capital account. Just previous to the war, when our revenues were

buoyant and everything was prosperous, the Government spent $118,000,000. Last year, when the war was at its very worst, when everything was looking black and everybody interested in the outcome was advising economy, this economical Government, this Government that preaches economy and practices extravagance, spent $172,000,000 on ordinary and capital account. Now it takes great credit that it was able to apply $60,000,000 to the war expenditure. As was so well pointed out by my hon. friend from Northumberland, the extra taxation that they placed upon the people last year more than made up the $60,000,000, and that amount that they have taken credit for having applied to the war expenditure was simply taken out of the poor people of this country. I do not say that the war expenditure should not come out of the people because there is no other source from which it can come. But a very serious question arises and it is as to how much of this money should be provided by increasing customs duties and how much should be taken from the people by direct taxation. The Minister of Finance takes a very great deal of credit because the loans that he has asked for have been over-subscribed. When he asked for $100,000,000 he got $150,000,000, and when he asked for $200,000,000 he got $100,000,000 more than he asked for. That is all very well, and it speaks well for the patriotism of the people but men who have money lying in the savings bank drawing three per cent, when they have an opportunity of handing it over and taking securities from the Government at 5½ and 6 per cent, naturally come forward and take up these bonds. I am not casting the slightest reflection upon the people that do that, but it is a very easy thing to be patriotic when you are being paid well for it. In my opinion there is an opportunity to find out where the money is and where the millionaires are. The banks took up a large part of the first loan but the banks were not allowed to take any of the last loan, although they were willing to take $60,000,000 of it. We have had to raise $600,000,000 for the carrying on of this war. We are told by the Minister of Finance that we will have to raise at least $600,000,000 more. The question that arises in the mind of every business man in this: Is it a proper thing to borrow all this money and extend the repayment of it over a long term of years, or will it be a proper thing to finance some of this war out of a present levy of taxation upon the people. I contend that under the present arrangement when we are gathering in a large part of the revenue from the customs tariff, we are taking more than a proper share out of the poor men of the country. The Minister of Finance said that the question of taxing incomes and taxing wealth has been considered by the Government and that because of the fact that there is very little concentration of wealth in the Dominion they thought that it would not be a wise thing to tax wealth. I for one believe that the greater part of the financial burden of this war should be carried by the wealth of this country. While my hon. friend says that by the business war tax he is placing an impost upon the wealth of the country, to my mind he is not placing it altogether where it should be placed and gathering the revenue from the people who are best able to pay. The hon. member for Sherbrooke (Mr. McCrea) to-night showed by two or three very apt illustrations how unfairly this taxation falls on different individuals. I would not go so far as to say that we should pay the whole costs of the war by direct taxation, but I do think that we should be paying more than $60,000,000 per annum. If the Government had expended last year only what the old Government had expended in its last year of office, then out of the revenue which this Government raised of $232,000,000, they would have had something over $100,000,000 to apply to the expenses of the war. But they did not do that, and now they have borrowed the greater part of the money required for carrying on the war. I do contend that in a crisis such as this the wealth of our country should contribute more than it has contributed up to the present time. The Minister of Finance says that it will be well enough to tax incomes when we get to the length of our tether and have not any other revenue; then he says we will tax the income of the rich man. Let me remind my hon. friend that when this war is over and business is dull, when things are not going as they are to-day, when we are beginning to dismantle the munition plants, when munition workers who have been working at high salaries for the last two years are thrown back on our hands, when the soldiers are returning maimed and wounded and in need of a great deal of money to assist them, then will not be an opportune time to impose the extra taxation. Now is the time, when money is plentiful, when our friends are getting on well and making money, not only out of their

regular business but out of the manufacture of munitions of war. I would offer a slight criticism in regard to my hon. friend's mode of extra taxation. I think he should distinguish between taxation on regular business profits and profits made from the manufacture of munitions. The reason for that, to my mind, is that the ordinary business man, who has been in business, possibly as a corporation, for years, has had his lean years, has had his hard times, has had his struggle; he has had to work day and night to build up a trade, and possibly now he has got a very good business established and is making a good return on his investment. That is all very well, let him pay a certain tax on his profit. But the man who is making big profits out of the manufacture of munitions is in a different position. He has been practically financed from the beginning by the Government. He has had no financial struggle or difficulty, as his machinery was provided by the excessive prices paid him by the Government for their first order of munitions, as was abundantly proved in this House, and as is known to every man familiar with the subject. I say that a very much higher tax should be placed on the profits made from munition work than on ordinary business profits. While I grant that the ordinary business has profited to a certain extent and been encouraged because of the war, it has not been encouraged nearly so much, nor has it received so much assistance from the Government, as the munition workers, who have been making great profits.

I wish to speak briefly upon the operations of the Intercolonial railway. That is a subject that is very dear to all men from the Maritime Provinces, and, according to hon. gentlemen opposite, the people from Ontario and the West, who have now a part of the Intercolonial, claim that it is no longer a child of ours, and is therefore interesting to the whole people of Canada. I am glad hon. gentlemen are taking such an active interest in the Intercolonial in our part of the country. As to the credit which is to be taken for the operation of the Intercolonial in the past year, there may be some difference of opinion. Hon. gentlemen opposite claim that credit because the road has earned almost double the revenue of past years. That is very easily explained. It is not because the operation of the Intercolonial has been of a particularly business-like character. The increased revenue results from the raising of the tariff rates and freight rates. Then, during the last year the Intercolonial earned large amounts of money by the transport of munitions and troops. These services have been charged for at the highest prices, and the money to pay for them has been borrowed by the Government. That is why the Intercolonial has earned such a large income during the past year.

The amendment moved by the hon. member for Assiniboia (Mr. Turriff) is very interesting to members on this side of the House. We have always followed that line, we have always aimed to get as near as possible to free trade, and we congratulate the Government very heartily, indeed, for at last having had their eyes opened and having come to the realization that the farmers of the West must have this free interchange of wheat and wheat products between Canada and the United States. I hope it is permanent. Some question has been raised and very fine legal points have been argued by hon. gentlemen who have addressed the House. I sincerely trust that the opinion given on this matter by the Deputy Minister of Justice is correct, and that the arrangement is permanent and will be lasting.

It is evident that there is a doubt in the minds of eminent lawyers as to whether the Deputy Minister of Justice is correct in his view, but, whether he is correct or not, we want to make sure that this provision of free wheat shall be a permanent arrangement. Under the circumstances, therefore, the Government should accept the amendment of the hon. member for Assiniboia and thereby make it plain to the people that this arrangement is a permanent one, that there shall be no more tinkering with this part of the tariff and that there shall be free exchange of wheat and wheat products between Canada and the United States. We sincerely hope that this will be the thin edge of the wedge; that more products will be placed on the free list and that there shall be a freer exchange of commodities between the two countries. As a matter of fact, we hope that we shall get what we should have had in 1911, reciprocity with the United States, which would be beneficial to them and beneficial to the people of Canada generally because of the resulting increase of trade.

The House divided on the amendment of Mr. Turriff.

YEAS.

Messrs:

Boivin,	Loggie,
Bourassa,	Macdonald,
Buchanan,	MacNutt,
Bureau,	McCrea,
Cardin,	McKenzie,
Charlton,	Marcile (Bagot),
Copp,	Martin,
Deslisle,	Michaud,
Demers,	Murphy,
Douglas,	Oliver,
Ethier,	Pacaud,
Fortier,	Papineau,
Gauthier (St. Hyacinthe),	Pardee,
Gauvreau,	Ross,
German,	Séguin,
Lafortune,	Sinclair,
Lapointe (Kamouraska),	Tobin,
Laurier (Sir Wilfrid),	Truax,
Lemieux,	Turgeon,
	Turriff,
	Verville.—40.

NAYS.

Messrs:

Ames (Sir Herbert),	Merner,
Barrette,	Middlebro,
Bennett (Simcoe),	Morris,
Blain,	Nicholson,
Boulay,	Nickle,
Bowman,	Paquet,
Boys,	Patenaude,
Burrell,	Paul,
Clark (Bruce),	Robidoux,
Cockshutt,	Roche,
Cromwell,	Schaffner,
Currie,	Scott,
Descarries,	Sévigny,
Edwards,	Sexsmith,
Elliot,	Shepherd,
Fisher,	Smith,
Foster (Sir George),	Stanfield,
Fripp,	Steele,
Girard,	Stevens,
Glass,	Stewart (Lunenburg),
Green,	Taylor,
Hanna,	Thorburn,
Jameson,	Wallace,
McLean (Queens, P.E.I.),	Webster,
Meighen,	Weichel,
	Wright.—51.

PAIRS.

Ministerial.	Opposition.
Arthurs,	Truax,
Achim,	Brouillard,
Barnard,	McCraney,
Burnham,	Proulx,
Boyce,	Nesbitt,
Bradbury,	Cruise,
Bellemare,	Lachance,
Carrick,	Lapointe (Mont.),
Clements,	Knowles,
Chabot,	Beland,
Crothers,	McCoig,
Cochrane,	Devlin,
Donaldson,	Power,
Davidson	Chisholm,
Hazen,	Pugsley,
Hepburn,	Guthrie,
Henderson,	Cash,
Kemp,	Robb,
Lewis,	Carroll,
Morrison,	Molloy,
Morphy,	Lanctot,
Munson,	Boyer,
Macdonell,	Clarke (Essex),
Marshall,	Neely,
McLean (Queens),	Hughes (Kings),
McLeod,	Carvell,
Rainville,	Kay,
Smythe,	McLean (Sunbury),
Sutherland,	Bickerdike,
Thornton,	White (Victoria),
Wilson (Wentworth),	Wilson (Laval),
White (Renfrew),	Gordon,
White (Leeds),	Graham.

Amendment negatived.

Mr. PROULX: I was paired with the hon. member for West Peterborough (Mr. Burnham). Had I voted, I would have voted for the amendment.

Mr. C. A. WILSON (Laval): I was paired with the hon. member for Wentworth (Mr. Gordon Wilson). Had I voted, I would have voted for the amendment.

Mr. CARVELL: I was paired with the hon. member for York, N.B., (Mr. McLeod). Had I voted, I would have voted for the amendment.

Mr. McCOIG: I was paired with the hon. Minister of Labour. Had I voted I would have voted for the amendment.

Mr. J. A. ROBB (Huntingdon): Mr. Speaker, in pursuance of the notice which I gave on the 1st of May, I beg to move, seconded by Mr. Tobin:

That all the words after the word "that" in the main motion be struck out and the following substituted therefor:

To ensure a plentiful supply of bran, shorts and middlings for the farmers who produce milk, cream, butter, and cheese, and for the raising and fattening of live stock, this House is of the opinion that wheat, bran, shorts and middlings should, without delay, be placed upon the free list.

Some hon. MEMBERS: Carried.

Some hon. MEMBERS: Lost.

Mr. ROBB: As there are some hon. gentlemen who may wish to speak on this amendment, and as it is after one o'clock, with the consent of the leader of the Government, I move the adjournment of the debate.

Sir GEORGE FOSTER: I think the understanding was that we should finish this debate to-night. It has been running for a long while and bran, shorts and middlings have been discussed pretty freely already, I do not think much would be gained by further discussing the subject.

Sir WILFRID LAURIER: I am not aware that there has been any arrangement, but if there has been one between the Whips, I have nothing more to say. There are a couple of more amendments to be moved. My hon. friend from Northumberland, N.B., (Mr. Loggie) gave notice of one and whether we move this to-day or whether we have discussion at some future date, I think at this stage we had better adjourn. I appeal to my right hon. friend.

Sir GEORGE FOSTER: All right.

Motion agreed to and the debate adjourned.

M. VIVIANI TO ADDRESS CANADIAN PARLIAMENT.

Sir GEORGE FOSTER (Acting Prime Minister): Before the House adjourns, I wish to make a short announcement, after consultation with my right hon. friend, the leader of the Opposition. Two very important missions from Europe have been in the United States for the last fortnight, one representing the British Government and the other the French Republic. Both of those Commissions have been invited to make at least a short visit to Canada as the guests of the Government and of the people. We have to remember the very honourable and responsible position held by the members of both missions, representing their respective countries as the guests of the Government and people of the United States who had the first call on their time. The members of those missions, however, have been very anxious if they could find it at all possible to visit Canada. The time set for the French mission was much shorter than that set for the British mission and they are obliged to leave at a certain fixed date. I am, however, very happy to be able to announce that the French mission will make Canada a short visit, necessarily very short, but none the less hearty and sincere that it is short, and that on Saturday we shall have in Ottawa for a few hours M. Viviani, the former premier, and at present the Minister of Justice of the French Government. He will, whilst here, make the acquaintance of members of both Houses. M. Viviani, who is a most noted speaker and orator, has addressed both Houses of the Congress of the United States and he has consented to address both Houses of this Parliament. With the consent of the House, I shall ask to-morrow night that instead of adjourning we shall suspend the sitting, with the understanding that Mr. Speaker will take the Chair at twelve o'clock noon on Saturday, about which hour M. Viviani will be present and will deliver an address to both Houses of Parliament.

With reference to Marshall Joffre, it is impossible for him to come to Ottawa, but he will be able to visit Montreal on Sunday of next week, also as the guest of the Government. We all feel the very great honour of a visit from these gentlemen and I am sure that our reception of them will be most cordial. That they have not been able to make a longer stay with us is due to the imminence of their departure and their pressing duties. I may say that later on we shall have a visit to Canada of the British mission headed by the Right Hon. A. J. Balfour.

Rt. Hon. Sir WILFRID LAURIER: The announcement which has just been made by my right hon. friend will certainly be most welcome to all Canada. There would, indeed, have been great disappointment if the French and the British delegation had not visited our country, and I am sure that my right hon. friend has voiced the sentiments of this House in particular in stating that on Saturday at 12 o'clock we shall have the privilege of hearing M. Viviani, the chief of the French delegation. I am glad that my right hon. friend has made this announcement, because it will be made public to-morrow, and I am sure that in consequence we shall have a very large attendance.

On motion of Sir George Foster the House adjourned at 1.20 a.m. Friday.

Friday, May 11, 1917.

The House met at Three o'clock, the Deputy Speaker, Mr. J. H. Rainville, in the Chair.

VISIT AND RECEPTION OF M. VIVIANI.

On the Orders of the Day:

Hon. Sir GEORGE FOSTER (Acting Prime Minister): Mr. Speaker, I think it might be well to make a short statement as to the arrangements that have been made for to-morrow. The hour at which our guests will be here is not exactly known, but the House will go into session at twelve o'clock, and I suppose they will be here at that hour. On the arrival of the train I should

like to have at the station the members of the Cabinet, and members of the Privy Council who have been members of preceding Cabinets, to informally meet the guests. They might put on their top hats and look as well as they possibly can. I am making that intimation for members of the Privy Council who do not belong to the present Government. From the station the guests and others will come directly to the House of Commons. M. Viviani will be given a seat at the side of Mr. Speaker, and the members of the House and senators are requested to fill up the first seats and to raise no objection to those who are not members of Parliament occupying the remaining seats and the galleries. Admission will be by special card. All members of Parliament and their wives and—I was going to say daughters, but I hope not many daughters—all members of Parliament with their wives and daughters will receive cards. The purpose is that we shall make ourselves the hosts of the distinguished guests and make it possible for as many representatives as possible to have an opportunity of being here and hearing the address that will be delivered. That will require a little self-denial on the part of members of Parliament, which I hope they will practise. After the speech, I propose to make a motion that the speech that is delivered by M. Viviani be printed in our Hansard, to become a part of our permanent record. I shall ask my right hon. friend the leader of the Opposition (Sir Wilfrid Laurier) to second the motion in that respect. Whatever I may do myself, I shall hope that my right hon. friend will make some remarks appreciatory of the distinction conferred upon us by the visit of our distinguished guests. After that the members of Parliament and those who have admission to the House will be asked to file in at the right, and to file out at the left of Mr. Speaker, and Mr. Speaker will present all to our guest. I omitted to state that Mr. Speaker, if he will be kind enough, will tender an address of welcome to M. Viviani.

The tickets will be delivered to the members and to the invited guests, and we will see that they are properly distributed. After that, I suppose I might say, the Governor General will have the visitors to luncheon, and if there is any time left we shall try to show them the beauties of Ottawa, both the beauties which at present exist and are visible, and as our guests are men of some imagination, we will try to stimulate that faculty to take a still greater and larger view of what the future possibilities of our capital are. I think that takes in the whole of the programme as arranged.

Mr. NESBITT: Do the members require tickets?

Sir GEORGE FOSTER: They will be given tickets, as admission will be by card. We will send them cards.

THE BUDGET.

MR. ROBB'S AMENDMENT RULED OUT OF ORDER.

On the Orders of the Day:

The DEPUTY SPEAKER (Mr. J. H. Rainville): Just before the adjournment of the last sitting of the House the hon. member for Huntingdon (Mr. Robb) moved a second amendment to the motion "That the Speaker do now leave the Chair for the House to go into Committee of Ways and Means." A previous amendment having just been negatived, I find from a careful study of the authorities that this amendment was irregular and should have been declared out of order. The rule as laid down by Bourinot and May makes this abundantly clear. I quote from Bourinot, pages 419-420:

> "Only one amendment can be moved to the question, 'That Mr. Speaker do now leave the Chair'. If that amendment is negatived, a discussion on other questions may be raised but no other motion can be proposed. If the amendment is withdrawn, however, another amendment can be at once submitted to the House."

And also from May, 11th Ed., page 610, as follows:

> "When an amendment to the question for the Speaker's leaving the chair has been negatived, as it has been decided that the words proposed to be left out shall stand part of the question, no further amendment can be moved thereto; though, general debate on the main question can be maintained by those members who have not moved or seconded an amendment thereto, or spoken on the main question before an amendment was moved; and if an amendment be withdrawn, members who have spoken to the amendment, may speak again after another amendment has been proposed."

Accordingly, the main motion is the only question now before the House and may be debated, but no further amendment may be moved.

I therefore declare the amendment of the hon. member for Huntingdon out of order.

SHORTAGE OF SALT FOR FISH CURING.

On the Orders of the Day:

Mr. O. TURGEON (Gloucester, N.B.): I wish to call the attention of the Acting

Minister of Marine to a serious condition which threatens the fishing industry in the county of Gloucester, owing to a salt famine. Until lately our fish dealers were under the impression that they could possibly secure contracts for vessels to bring salt across the ocean, but lately they have been advised of the impossibility of securing such contracts. The hon. member for Guysborough (Mr. Sinclair), a few days ago, called the attention of the House to the same subject with reference to the province of Nova Scotia. I wish to add that northern New Brunswick is practically in the same condition. As to the scarcity of tonnage, I might make the suggestion to the department that last fall the French Government had to allow a large cargo of lumber to remain in Bathurst, as they could not get the necessary steamer there in time, and I am under the impression that the cargo is still there. A vessel bringing salt from France to Caraquet could take back that cargo of lumber from Bathurst. An arrangement might be made between the two Governments so that when the transport for the French Government comes for that lumber it might bring a quantity of salt which would be sufficient for all Caraquet and northern New Brunswick.

Sir GEORGE FOSTER: The matter has engaged the attention of the department for some months and the British Admiralty is quite willing that transports coming to Atlantic boards—if the loading point of the salt is reasonably near and the loading does not cause too much delay—should carry salt to the ports to which they come, charging for it a reasonable rate. I have no doubt that the French Government would be ready to do the same thing with its transports. But my hon. friend will see that the time of these transports cannot be taken up making long voyages in order to get some salt.

Mr. TURGEON: So far as the Caraquet district is concerned, very little loss of time would be involved, as boats from Caraquet could go on to Bathurst for that cargo of salt.

COAL PRICES IN OTTAWA.

On the Orders of the Day:

Hon. RODOLPHE LEMIEUX: I have been requested by certain consumers in Ottawa to ask the Government if they are aware that coal is being sold to-day in Ottawa at between $9 and $10 a ton, whilst it has been established by the Federal Trade Commission at Washington that coal at the mine is delivered at $3.60 and $4 a ton. It is true that transportation possibly might affect the price to some extent, but it seems to me that it should not to that degree. Would my right hon. friend inquire as to this, and ascertain if relief can be expected?

Sir GEORGE FOSTER: Yes, I shall make a note of that.

THE SUBMARINE MENACE.

Mr. E. M. MACDONALD (Pictou) asked for leave to move the adjournment of the House for the purpose of discussing a definite matter of urgent public importance, namely the menace to the national interest by the submarine campaign and the necessity of meeting it, and what Canada should do to deal with the situation.

And leave having been granted.

Mr. MACDONALD: I have no apology to make to the House for asking the members of this House to consider for a few moments the position which Canada should take with reference to this great national menace, a menace to the whole Empire and to all our Allies in the war. The situation on land has been of the most encouraging nature so far as our plans are concerned, and the brilliant results which have followed the attacks under General Haig by our men in France have created a position there so menacing to the Germans that during the last few months they have decided to resort to the use of submarines in a ruthless manner in order to cut off food and other supplies, which would go to Great Britain and the Allies from the sister nations on this side of the water. This menace has reached a very serious stage. The development of the U boats by expert German scientists reached a point not thought of before the war, indeed hardly conceived of up to a very late period. A few years ago it was thought to be an impossibility that submarines competent to cross the Atlantic could be constructed; yet last year the Deutschland, a submarine built on commercial lines for the purpose of carrying supplies, more than once reached the United States then a neutral nation. Last October, when the weather permitted these long voyages of submarines, we had news of their sinking various vessels including, several British bottoms, off the American coast in the north Atlantic. In the seas surrounding Great Britain, the extent of

the baneful operations of the submarines during the past few months has been serious indeed. It has interfered with the avenues for the transport of men and supplies from Canada to the Motherland, and in addition it has created such a feeling of apprehension in Great Britain, that the Homeland has come to look with expectancy to the possibility of producing within her own borders the food and other supplies necessary to sustain her people should the blockade necessitate this. I have therefore no apology to make for calling the attention of the House to the situation, and to what Canada ought to do in the premises. Only this week, on Tuesday, the matter was discussed in the Imperial House of Commons, and the task which was laid upon the Lords of the Admiralty in dealing with this problem, together with all the means that might be put into effect by the nation herself for the purpose of meeting this menace, were fully considered. When we realize the extent of the U boat depredations, as we can from looking at the latest figures, we begin to grasp the exceeding importance of the question. I have before me the latest report of the submarine situation which says:

> The German submarines succeeded in destroying a larger number of fishing vessels last week than has been reported for several weeks past.
>
> Vessels of nationalities: Arrivals, 2,374; sailings, 2,499.
>
> British merchantmen over 1,600 tons sunk, including five not reported previously, 24; under 1,600 tons, 22.
>
> British merchantmen unsuccessfully attacked, including six previously not reported, 34.
>
> British fishers sunk, including one not previously reported and thirteen sailers, 16.
>
> In addition to the British vessels reported by the Admiralty to have been sunk by submarines or mines, fifteen British ships had been reported overdue since January 1 and no information had been obtained in regard to them. It was impossible to say how many of these were marine casualties and how many represented losses inflicted by the enemy.

Further information as to the extent of the submarine menace comes from the United States. The attention of the Government of our great sister nation of the Anglo-Saxon race has been directed to this matter by the delegates from England and France, one of whom we are to have the honour and privilege of entertaining to-morrow. Mr. Denman, chairman of the Shipping Board of the United States, in announcing the Government's programme for exercising more direct control of shipping and shipbuilding facilities, said that estimates had reached the board showing that 300,000 tons of shipping were sunk in one week. He goes on to say:

> The present world's ship tonnage is estimated at less than 50,000,000 tons. In 1916 the entire loss in tonnage due to war causes was put at a little more than 2,000,000 tons, or some 162,000 tons a month. At present the Germans are sinking considerably more than that each week.

In other words, while 160,000 tons a month was the extent of the loss due to submarine depredations last year, that amount of tonnage is lost in one week under present conditions. Speaking in the British House of Commons the other day, when the matter was fully discussed, Mr. Macnamara, speaking for the Admiralty, said:

> It was not in the public interest to disclose what proportion of vessels sunk had been armed. He said, however, that merchant vessels were being armed as rapidly as possible. All possible steps were being taken by the Admiralty, Mr. Macnamara continued, to accelerate the entry of the foodships into port. He regretted that the resources at the disposal of the navy did not permit of an individual escort for every vessel conveying foodstuffs, but said the Admiralty had done everything which was possible and practicable to protect them.

It will be noted from Mr. Macnamara's statement that additional injury is liable to be inflicted on Great Britain as a result of the submarine menace because of the withdrawal from the North Sea and the English Channel of vessels, for the purpose of protecting ships that are sailing on the North Atlantic with food and with men. The withdrawal of these vessels from the immediate scene of action, where their presence is required in order to keep the Germans confined within the Kiel canal, will impair the efficiency of the North Sea fleet, possibly give the Germans an advantage which they do not now possess, and, to some extent, release them from the blockade that is being maintained against them.

That this condition is of a most serious character is evidenced by the utterances of American public men, who are acting in consequence, no doubt, on information imparted by Mr. Balfour and M. Viviani. For instance, so conservative an American public man as Mr. Lansing, United States Secretary of State, made this statement as published in the press:

> There is no use of our closing our eyes to the fact that the situation is very serious.
>
> Secretary Lansing in a statement during the day declared that the seriousness of the submarine situation could not be exaggerated, and that it was time the country awoke to the facts. Reports to the State Department give

a total of eighty vessels lost in one week—figures much higher than any contained in recent British announcements.

In response to further questions, Mr. Lansing stated that this Government was ready to throw its full strength into the joint task of curbing the war aims of Germany, and he probably regarded it as important for the American people to know what the country and its allies were facing.

Thus, Mr. Lansing, speaking authoritatively to the American people, deems it of utmost importance that the United States should fully realize the seriousness of submarine warfare.

It is our bounden duty, therefore, as Canadians and British subjects, to realize, just as our American brothers realize, the seriousness of this condition, and to consider what we can do to help in the matter. Mr. Lansing further said:

It would be preferable on all sides not to have to make public the increasing power and effectiveness of Germany's present submarine campaign, which is bound to spur the Teutons to renewed efforts and to encourage the peoples of the Central Powers. But facts must be faced in the present emergency according to officials of this Government and officials of the Entente. The only visible remedy to the danger is to strike down the U-boat menace within a comparatively short time or make it ineffective as a starvation policy until it finally can be disposed of. It is a question of the next six or eight months according to the consensus in authoritative circles.

Mr. Lansing met the question "What are we going to do about it?" with an immediate rejoinder showing that the nation was going to do anything and everything it could to win the world battle of democracy, but the all important point to be emphasized at this moment was that this battle was not yet won nor was there any legitimate assurance that it would be won.

Mr. Secretary Lane, who is Canadian-born, spoke as follows in regard to this matter:

It is no small thing. We might as well wake up and make up our minds that the situation is serious.

The war will be fought on this side of the Atlantic, if we do not beat the Germans to it. We must supply many ships to overcome the great number the Germans are sinking. And, surely our ship-yards can speed up.

If this keeps up for any length of time it would lay England and France prostrate, unless we are able to come to their support, or some measure is devised to put the submarine out of business.

The report continues:

Mr. Lane asserted that the havoc wrought by the German submarine, which he described as the new harpy of the war, was threatening not only the existence of Great Britain and France, but that of the United States, and he added that when the representatives attending the conference returned to their states they could not too strongly emphasize that the need for prompt action to enable this Government to exert the full measure of its force against Germany was vital to the welfare of the nation.

These utterances indicate the viewpoint of the public men of Great Britain and of the United States. Let us look for a moment at what the Germans say. Admiral Von Eappele, Minister of the Navy, speaking in the Reichstag this week, said:

"The Reichstag has begun its second reading of the navy budget. Dr. Pfleger, naval reporter of the Budget Committee, asserted that the submarine booty for April would not be less than 1,100,000 tons, and added that the Reichstag looked forward to the activity by the German navy with a confident hope of a speedy and victorious peace. Vice Admiral von Capelle, Minister of the Navy, who followed Dr. Pfleger, said:

'This recognition is new stimulus to us to fulfil Germany's expectations regarding the U-boats, which have faced enthusiastically the great task of decisively intervening alongside our victorious army. I assure you that the U-boats will persevere until the end. We have the necessary boats, a trained personnel, fuel, and all accessories.'

Thousands upon thousands of hands are actively engaged in producing new U-boats and new material for torpedoes and mines. Not only is the number of U-boats continually increasing, but the boats are always improving in quality. They are always better types and of greater efficiency. Officers and men are crowding forward for submarine service.

Of course, losses also occur. Our enemies' defences are increasing in quantity and quality, but there is no radical remedy against U-boats.

In England it was said: 'We must smoke out the bases; that is the sole means of mastering the U-boats.' Let them but come and try; they will bite granite. Our U-boats are rapidly adapting themselves to the peculiarities of submarine war; they are gaining an ever-greater experience and are receiving ever-better armament and equipment.

A decisive factor is the continually increasing monthly successes, which are such as we ourselves hardly expected. The reports in the enemy press about the number of U-boats lost are false. Our losses are small beyond expectation. In addition, weather conditions are improving. Summer nights are shorter and the stormy season of the year is ending. Every new submarine crew that sails is buoyed up with the consciousness that all is at stake.

Three months' war experience is of more value than three years' peace experience. The U-boat crews are equal to all demands. We expected an average monthly U-boat booty of about 600,000 tons. Actually the result for three months totals 2,800,000 tons. This is 55 per cent above our expectations. Altogether, in three months, 1,325 ships have been sunk.

How long this will continue is the enemy's affair. The U-boats guarantee our holding out. We all have a clear impression that English voices sound to-day quite different from those heard three months ago. They have become much more modest. Even England perceives that our U-boat war has not been a blow in

the air, but a heavy blow against the vital centre of our fiercest enemy. We have the firm will to conquer and rock firm confidence that we shall perform our task."

That is the situation as outlined by an authority which, it sems to me, cannot be questioned and which warrants us in facing the situation with the feeling that a duty which cannot be disregarded is imposed upon us. Only a few days ago the President of the United States called in consultation a body of leading Congressmen representing both parties, and he laid before them the facts which he had obtained in regard to this matter. He then stated that he proposed to ask Congress at once to grant the sum of $800,000,000 to provide ships and other means of combatting hostile submarines; that he intended to submit to the Congress legislation of the widest character under which extraordinary powers were to be conferred upon the Government, so that with this tremendous appropriation of money every possible step might be taken and every method utilized to meet and overcome this danger.

I have already referred to the effect of the submarine warfare in imperilling of our base in the North sea wherever since the war began the British naval authorities have carried out in the most splendid manner the task thrown upon them of bottling up the German navy and rendering it useless as a factor in the war. In these days of submarine activity, there can be no doubt that there have been drawn from the North sea base many vessels, large and small, which are necessary for the escort of the food ships and the ships which carry our men from various parts of the world to engage in the fray, and not only that, but there is another situation which naturally occurs to one's mind, and that is, as to the necessary importations of food supplies for the men at the front, not only of the Allies, but of Great Britain as well.

The statement of Lloyd George to which I have already referred as to what the people of Great Britain have to look forward to with reference to the necessity of production, is evidence of how serious he regards the situation. In addition to that, I understand that one proposition has been that, in order to solve to some extent the food problem, all the German prisoners taken by Great Britain and France—and the number of them must be very great—should be transported across the ocean to the United States where they could be fed more easily than on the other side. In that way the duty of feeding them would be taken off the shoulders of Great Britain and France. Although, ever since the beginning of the war we have had marvellous success in regard to the safe transport of our Canadian troops—and this is not a matter in regard to which there need be any privacy—we have known of sailings from this side having been postponed and of vessels returning to this country having been delayed for a month or two, whereas such conditions were unheard of in the earlier months of the war. Although so far no Canadian transport carrying troops has been sunk, we have learned with sorrow that from the far off Dominion of Australia within the last week or so a troopship has gone down in the Mediterranean as a result of submarine warfare.

In addition to the general situation I have outlined, there is another situation in regard to Canada. Our northeast Atlantic coast is liable to attack at any moment during the coming summer. Fortunately, as the German ships were cleared off the Pacific ocean at an early period of the war, there is no probability of any danger to that portion of our Dominion; but it is a fact that it has been well recognized by naval authorities in Canada and by those who live down in the eastern part of the Dominion that for the past two years there has been a great probability that at any time a submarine might attack our eastern coast. That probability is apparent owing to the fact that the Deutschland was able to come across the Atlantic and that a fighting submarine sank the Stephano and other vessels off the American coast. It has been pointed out by those who have to deal with these questions and who have some naval experience, that it is quite within the bounds of probability—and when one speaks of things being within the bounds of probability one can readily realise that so far as this war is concerned the probable is very likely to happen—that German submarines could come, with the assistance of other vessels, to points along the western coast of Newfoundland and what is known as the Labrador coast, and there form bases for the supply of oil and other necessaries for their operations. All along the western coast of Newfoundland there are to be found bay after bay and harbour after harbour of the most isolated character, near which no people live, and in which it would be possible for the German naval authorities to establish bases and furnish supplies to fighting submarines.

Indeed, it is a common belief that along the little frequented shores of Maryland, north of Norfolk and Newport news, during the past year there has been established a German base for submarines. If it is possible to conceive of such a thing being so along the coast of the United States as far south as eastern Maryland, when we come to think of the conditions that apply on the coast of Labrador or the coast of Newfoundland, any one who has had an opportunity of visiting those coasts will readily realise that there would be no difficulty whatever in establishing such a base unless the greatest possible precautions were taken against it.

It will be noted from the remarks which I have read and the statements which have been made, that the Germans look forward to summer weather conditions to render it more easy and possible for submarines to operate. We can therefore look forward to the possibility or probability of German submarines coming across; and if in addition to the menace to the transportation of men and supplies across to Great Britain, we have the possibility of an attack upon our own shores, the necessity of Canadians wakening up to the situation becomes all the more apparent. The very latest papers intimate that steamers arriving at New York report that a submarine has been sighted 300 miles west of that part of the ocean which is considered the danger zone on the other side, so that German submarines may be working towards this side already. What has been the condition of affairs in the past in regard to that? Some of our transports, in leaving our Canadian shores and going across to the other side, have relied upon their speed. The magnificent work done by the great steamer is a matter of common knowledge, and the tremendous service she has rendered in taking men across from this side to Great Britain has been largely due to her great speed, which has carried her from the coast of North America as far as the danger zone on the other side where an escort awaits her. There have been times since the war began when the chief vessels in control of our defences were the Australian ships the Sydney and the Australia. I think there is no manner of doubt that at this moment Canada's defence upon the sea is being carried on by American torpedo boat destroyers. Years ago we used to discuss here in an academic way the Monroe doctrine, but now without any talk about the Monroe doctrine our neighbours to the south are giving us the protection of their cruisers.

What should we do in this regard? I have submitted questions to the Government with regard to the establishing of a naval aeroplane station on the Atlantic coast, and I gather from the answers that have been given that they have considered this proposal and turned it down. I submit that it is the imperative duty of the Government to proceed first to establish a naval aeroplane station in eastern Nova Scotia, with auxiliary stations in Newfoundland and in the province of Prince Edward Island. This is a matter about which there is no reason for secrecy; we should look the facts in the face and discuss them in the frankest possible way. The United States had no secrecy or misgivings when they were considering what ought to be done. It is all very well for us to have an aeroplane training school in Toronto and other places in Canada, but I submit that in view of the dangers that I have indicated as likely to come from the sea, and in view of the fact that a similar course of defence has been adopted by Great Britain and all the other nations, an aeroplane station should be established somewhere along our coast at a point to be decided upon by the proper investigating authorities, with auxiliary bases in Newfoundland and Prince Edward Island.

If we had such a station the airships would be able to ascertain whether there was a possible base for German submarines along the Newfoundland coast or elsewhere, and would be able to supply very valuable information as to the approach of vessels of different kinds. They could also be used for the observation of submarines possibly in Cabot Strait and the Gulf of St. Lawrence, and could work in conjunction with the vessels from Great Britain and the United States and other countries that are looking after our defence.

It may be that there are reasons that I cannot conceive of which have led the Government to believe it would not be prudent to establish such an æroplane station, but I submit that if there is to be any attempt whatever by Canada to look after her own defence this is a preliminary step which ought to be taken, and should not on any account be disregarded.

There is also the matter of ship construction. From the information I have been able to gather from answers to questions in the House and from statements that have been made by hon. gentlemen opposite, I understand that the Imperial Munitions

Board is making expenditures in this country for the building of vessels for the Imperial Government. I assume that these vessels are not for the Government of Canada, because, as we have been reminded more than once in this House, the Imperial Munitions Board is not a Canadian institution per se, and owes no duty and is not responsible to the Canadian Government. If the Canadian Government are going to take any steps to replace the tonnage that is being sunk day by day I assume they would do it through the regular and natural channel, and that they have not done this I gather from the fact that the Minister of Finance, in answer to a question from myself only a few days ago, said the matter of giving aid to shipbuilding was under consideration.

I could give the House statistics, if it were necessary, to show the absolute necessity of providing ships, firstly, for purposes of defence, and secondly, for the building up of a merchant marine in this country, and to replace the tonnage that is being destroyed in the fleets of our Allies who have been doing our carrying trade during the last two or three years. I do not think any one will doubt the need for ships in view of the feverish energy with which Great Britain is turning out vessels from every possible shipyard; and then we have also the wonderful spectacle of the great American people being so impressed with the need for ships that three weeks after joining the Allies they are prepared to spend the enormous sum of one billion dollars to provide the ships so urgently required. Not only that, but President Wilson in his statement to Congress the other day announced that by agreement with the British Government they were taking over the contracts for the ships that were being built in the United States, and that whereas there had only been one shift of men per day, there would now be three, so that the work could proceed without a moment's delay. In addition to that, the President asked Congress for plenary powers to enable the Government to take over existing shipyards so that every nerve might be strained to attain the desired results. I submit that this is a matter that should not rest under the consideration of the Government for one moment longer. The question of what Canada should do in regard to shipbuilding has been discussed in this House several times both last session and this. Without any encouragement from the Government we find that men have gone along by themselves and engaged in the building of ships in different parts of Canada, in Nova Scotia, for instance, and on the Great Lakes and in British Columbia. We have not been yet able to produce in Canada the steel plates that are required in the building of steel vessels, although in almost every other avenue of steel production Canada is on a par with any other nation. But we have not a mill in operation in this country capable of turning out the necessary steel plates for steel ships, and we have had to get them from the United States or anywhere else where they could be obtained. Vessels of three thousand and four thousand tons are now in course of construction in my own province; some of them will be launched in the next two months, some indeed have already been completed, and all this has been done by private enterprise without aid or encouragement of any kind from the Government. It seems to me that it is time for the Government to do something, and there are two classes of ships to which the Government should devote its attention. The first is made up of such ships as are necessary for the immediate defence of Canada working in conjunction with the Mother Country. We have two submarines on the Pacific coast. For the time being, the necessity for their operation has fortunately gone. Down in Montreal, in the Vickers-Maxim concern, they are producing submarines. They produced some of them last year, and these were seen by those of us who live at the gateway of the Dominion in the Maritime Provinces, making their way out as though to cross the ocean, and no doubt to-day they form part of the defences of the Mother Country. Why do we not produce more submarines in the Vickers-Maxim works? Why did not the Government act long ago, when the subject was urged upon them, instead of sitting supinely? We can build destroyers. There is no magic about the construction of a steel ship. Any hon. gentleman who has looked into this matter knows that we have the artisans here, and that the conditions exist in Canada under which these vessels can be constructed. We should be constructing them, so that we may provide for our own defence and also make ourselves real auxiliaries upon the seas to the Mother Country and the United States and all the Allies. This has been urged upon hon. gentlemen opposite, and I urge it now once more in the strongest way I can.

It is said, we have no plate mills in Canada. Why, then, should not we provide conditions under which a plate mill might be started? You may say, it will take six months before a plate mill can be put into operation? Suppose that to be true, what then? The thoughtful man, he who has looked ahead in regard to the conditions under which Canada may help the Mother Country in this great struggle, and may play her part for freedom and right, has found his every proposal since the war began met in this same way. And so, we have done nothing in these things. If we had moved last year we could have had an ample supply of submarines for our protection, and we could have produced destroyers besides. Last year, there was no difficulty about getting plates from the United States. Even now it is open to hon. gentlemen opposite, if they worked in conjunction with the United States Government, to ask for a supply of plates from mills which are practically under their control. Bringing those plates to Canada an industry can be initiated which will assist us in the protection of our own country and will enable us the better to play our part in the war.

Then, over and above this question of defence upon the sea are we not to use some part of the vast expenditure we are making in connection with this war for replacement of the vessels lost to our merchant marine? Our merchant marine has not been so great that we can afford to lose any of its numbers; it is not greatly to our honour that the transportation of our products across the seas has been for years largely in the hands of Norwegians. We have in a most liberal manner provided for the transportation by land of the products of our country including those of our wonderful West. But a strange blindness seems to have fallen upon us in regard to future conditions. We have three transcontinental railways, over which we bring down our products to our ports on the Atlantic and on the Pacific, and yet we are dependent upon, and seem content to be dependent for all time upon, other nations for the carrying of these products upon the sea. And, if the destruction of our merchant marine that goes on to-day is maintained for any considerable length of time, in addition to danger that we shall be unable to find means of transportation for the food supplies needed by those at the seat of war, there will be very serious effects in lowering the exportation of the products which it is necessary that we should dispose of in the world's markets in order to maintain the economic strength of the country which is essential in view of the great obligations we have assumed.

4 p.m.

I would like the Minister of Trade and Commerce to tell me why we cannot do that which Great Britain has done, is doing, and is going to do. I would like him to tell me why we cannot do what the United States has done, is doing, and is going to do. Has the genius of the people down by the sea from which my right hon. friend (Sir George Foster) himself has sprung, completely gone so that the young men are no longer to look forward to a career upon the sea in vessels constructed upon Canadian soil? It seems to me that cannot be so. We should do what other nations are doing, having regard to our financial capacity having regard to the obligations we have assumed, and having regard to the duty that rests upon us to relieve Great Britain, as far as we can of the necessity of the defence of Canada. Why should it be necessary for Great Britain to take from the North Sea a single destroyer or cruiser and send her to this side escorting the transports containing our men, or the supplies that we send across the Atlantic? We should have thought of this, we should have prepared for it. I engage in no recrimination as to the mistakes of the past; I do not wish to discuss the question from that standpoint, but only from the standpoint of the serious duty that is thrown upon us as Canadians to play our part now, even if we failed to play it before. Had we started a year ago, we should not now be worrying about the submarines being dangerous. We should not now, as a proud nation, be awaiting word of what course the United States intends to take in these matters. We are glad of their noble and generous assistance in this war; but the spirit of our people calls for leadership here, calls for a clear conception of our own duty, and demands that there should be no further delay in taking such action as will provide for our own defence, and will also supply the deficiencies in our merchant marine caused by the sinking every day of some of our ships. I submit that the great danger that threatens our nation, and through us the cause of the Allies, calls upon us imperatively to act now, if we have not acted before. It is not too late to begin. The Government should outline a programme of a generous char-

acter which would enable us, first, to produce steel plates in Canada. Pending their production, and so as to avoid even short delay, plates should be brought from the United States. We should proceed immediately with the construction of smaller vessels of the trawler type, which are said to be of the greatest possible assistance to the navy—"the eyes of the navy" they are called. We should build the submarines for the defence of Canada on the Atlantic coast. We should proceed with the construction of torpedo boat destroyers. We should provide for the manufacture on our eastern sea-coast of naval aeroplanes, which would enable us to use for our own protection that wonderful new discovery. We should have a comprehensive scheme to make up for losses in our merchant marine, and to lay the foundation of a merchant marine suitable for our future needs. These things seem to be lessons that one naturally and apparently draws from noting the conditions that exist in other parts of the Empire. Shall the Government act? The duty seems to me to be one which they cannot escape. I believe that they must have appreciated that they should have acted a year ago, or should have acted long before that. Notwithstanding that, let us act now; let us act boldly and promptly, let us act in such a way that it will be said of us that we have at last attempted to fulfil our duty to the great cause with which we are associated in the face of this menace which threatens us and all the allied nations.

Mr. A. A. McLEAN (Queens, P.E.I.): Mr. Speaker, a stranger listening to the remarks made by the hon. member for Pictou (Mr. Macdonald) would imagine that Canada has done nothing in this war. I believe the opinion of the thinking men of this country is that Canada has done everything within her means.

Mr. MACDONALD: I did not discuss the question of our assistance to the cause of the Allies upon land at all. I confined myself to the question of what we should do with regard to the submarine menace.

Mr. A. A. McLEAN: The accusation which the hon. gentleman has made is more injurious to the cause which he is attempting to forward than I thought at first. The submarine is a menace on the other side of the water, and, to a certain extent, a menace on this side, and I think the people of the Maritime Provinces should appreciate the fact that it may be a great menace to that part of Canada. But it is not submarines that we want down there; it is boats to repel submarines. We want protection on land and we want protection on sea, but we do not want submarines. Take, for instance, the different ports in the Maritime Provinces. Some of the remarks which the hon. gentleman has made are very appropriate and proper and the Government should take heed of the warning so as to give protection to every great port in the Maritime Provinces at which large quantities of gasolene, kerosene and other materials are stored. Take, for instance, the ports of Charlottetown and Pictou. Charlottetown is a distributing centre for the Imperial Oil Company. We have guns there and we have gunners, but we have not the guns placed and it would be easy enough for a submarine to come into the city of Charlottetown and replenish her fuel. The same would apply to Souris, Georgetown, Pictou and many other ports in Nova Scotia and the lower Gulf of St. Lawrence. But I want to remind the hon. Minister of Militia and Defence (Sir Edward Kemp) that plans were sent to him last year, accompanied by the suggestion that these guns should be mounted at different places along the coast in order that if any submarines should come they would be in a position to repel them. Supposing one of these submarines should come into the city of Charlottetown; we have no protection there whatever. We have seven or eight banks there in which large quantities of money are on deposit, and I think it would be an appalling disaster to the business interests of that part of the country if a submarine came there and attacked and looted these banks. I would therefore direct the attention of the Minister of Militia to the fact that immediate steps should be taken to have the guns at the disposal of the department, and which are lying idle in the city of Charlottetown, placed in a position so that the attack of a submarine could be repelled. This is not a matter which should be left because we saw last year, as the hon. member for Pictou has stated, submarines coming to the city of New York, and vessels being sunk off the American coast. The same thing has happened this year and I think the Government should take timely warning and have men and guns placed at all the ports where the supplies of these submarines could be replenished. I have no further remarks to make on this subject because I think I have made a sufficient statement when I

say that the Government should take immediate steps to remedy the neglect, not only of this Government but of past Governments, in not manning and protecting the different ports of the Atlantic and lower gulf border.

Mr. J. H. SINCLAIR (Guysborough): Mr. Speaker, my hon. friend from Queens (Mr. A. A. McLean) has evidently become converted to the views of hon. gentlemen on this side of the House in regard to the necessity of a Canadian navy. If there is danger of the capital city of this province being attacked by submarines, I wish to tell him that the protection against submarines is destroyers, and if he and his party had voted, as they should have done in 1912, to adopt the policy of the late Government, he would be quite safe in the city of Charlottetown and on the Atlantic coast in regard to this menace. I did not understand that my hon. friend from Pictou (Mr. Macdonald) was expecting to extract any promise from the other side of the House in regard to commencing the work of building up a Canadian navy. Instead he referred rather to the necessity of mercantile ships to meet the menace of the submarines and the destruction of tonnage at the present time. I think that was the main purpose of my hon. friend from Pictou in bringing this to the attention of the House. We all understand that hon. gentlemen on the other side of the House are pledged against doing anything in the way of a Canadian navy. As long as they maintain that position it would be idle for us to endeavour to persuade them that it would be a proper course to take. But, everybody admits that at the present time there is great danger in the scarcity of tonnage to carry the products of this country to the battlefields of Europe and to feed the millions of people over there who are unable to produce enough to feed themselves. If it is true that 300,000 tons of shipping is sunk in one week, that loss must be met or else the end must come and the consequences will be that the Germans must win. That is the last card that our enemies are playing and the last hope they have is that they will be able to destroy the mercantile tonnage of the Allies so that they will be able to starve out England and her Allies and the war will end in that way. That is the hope that they have, and that is what they are striving for at the present time. It is up to the Canadian people to do something to meet that difficulty. Are we content to allow the United States to do everything? We are told that immediately after the United States threw in their lot with the Allies in this war, the Government of the United States made up their minds that they would build a thousand wooden ships of a standard pattern. The reason is plain why they have selected wood and why they have adopted the idea of a standard ship. A standard ship can be constructed much more rapidly and cheaply than a great variety of different kinds of ships.

Once a model is made that will be satisfactory for all the ships of the series, the one model will do, the one specification for wood will serve, the one type of marine engine, the one type of boiler, and the yards and shops of the country could, by obtaining a blueprint get to work to produce that particular kind of ship. That appears to be the idea that is abroad in the United States, and it looks to me like a practical one. It is rapid production of ships that they are after there, and the question for Canada is: Are we willing that the American flag shall alone be seen on the seas and that the Canadian flag shall disappear? Are we too proud, if I may put it that way, to allow all this to be done by the United States? We are a maritime people in this country. We are accustomed to sea life. We have succeeded well in building wooden ships in the past, and if it is necessary to revive the construction of wooden ships as a war emergency measure just now, why should not Canada take a hand in it? That is the way it strikes me, and it is up to the Government of Canada to give us a lead in regard to this important matter. It would hardly be expected that private enterprise would embark on the construction of wooden ships. Everybody knows that wooden ships were discarded a good many years ago, because it was found that the steel ship was more economical; in fact, there were many reasons why steel was adopted in place of wood, and in normal times a return will be made to steel construction. If we build wooden ships now it is only to meet the emergency before us, and we can build them in Canada. I have no doubt that there is ample wood in Canada with which to construct wooden ships, and we can build them as quickly as they can be built in the United States, if we are assisted, as we ought to be assisted, by the Government. The question of financing the construction of those ships, I suppose, is the main question. That is a question that ought to be

dealt with by the Government. There are two ways of doing it. The Government could let the contracts, build the ships themselves, and own them, which would perhaps be the neatest and best way to deal with the question; or they could, under some system that might be worked out, guarantee private owners that they would not lose their capital if they embarked in the construction of wooden ships for the purpose of meeting the present emergency. If the ships are necessary as a war measure, the Government ought to build them. We are calling on the farmers of Canada to increase their production, and I have no doubt they will strain every nerve to meet the call made on them and that production will be largely increased. One of the main objects in increasing production is, not to feed ourselves, because we would have ample food for ourselves provided we went along as before; our main purpose is that we may be able to contribute something to the food supplies of our Allies across the water. It is of first importance that we should have tonnage to carry it over; to-day this question is more important even than the manufacture of munitions. The Allies have succeeded in reference to the big guns and ammunition. It is stated by authorities on the other side that we have now the absolute control in artillery at the front, that we have won so far as that is concerned; that is, we are better equipped than our opponents are. I have no doubt that on the question of munitions the difficulty has been solved, and that if Canada stopped her manufacture of munitions the war could still be carried on successfully. I suppose that is true. But this is a matter in which we can help. The construction of ships is right in our line, and it might be that the Government would not lose any money by undertaking the construction of these ships. The chances are that after the war is over there will be a great call for tonnage for several years to come. Millions of tons have been sunk and likely much more will be sunk before the war is decided, and, if so, tonnage will be very scarce and very costly. It might be that the Government could embark in the construction of one hundred ships of a standard pattern and put them into trade, and that within a couple of years after the war they might get out without losing a dollar. I think it is possible that would be the case. It is a little courage and administrative ability that we want to deal with this question. It is up to the Minister of Trade and Commerce to find a solution of this problem. I do not think our people will be satisfied that we should depend altogether on the United States in regard to this matter. The Canadian people will expect the Government to give a lead, and make it possible to use our own ship yards to produce a certain amount of tonnage to help in the present crisis, and my opinion is that if we do less than that we shall not be doing our duty.

Mr. W. F. CARROLL (Cape Breton South): Mr. Speaker, we all, I think, agree that Canada has done a good deal towards helping the Allies in the present world crisis, so far as sending our brave boys overseas is concerned; but I think it is quite apparent to us all that Canada and Canadians have not done so much on the sea as we should have done, and not so much as is expected of what might be termed a semi-maritime nation. I do not think it was the purpose of the hon. member for Pictou (Mr. Macdonald), who introduced this resolution, that it should be any criticism on the Militia Department for the way in which they have carried on their work during the present war. The Militia Department does not enter into this at all. I think the thanks of this House are due to the hon. member for Pictou for bringing this matter to the attention of the House. Personally I consider it an emergency matter, and a matter with which the Government should grapple immediately. Two years ago, about this time, I had the pleasure of saying a few words in the House on the same subject, introduced also on that occasion by the hon. member for Pictou. Almost every member in the House at that time took an active part in the debate, and all were inclined to the opinion that Canada should do something towards ship building, towards equipping the shipyards, and that the Canadian Government should, in a measure, finance some such project. The great emergency, as I understand it to-day, the great menace to the success of the Allies, is the work of the submarine as it has been carried on for the past three or four months; as a matter of fact, carried on for the past year or so. There is no doubt in the world that Great Britain with her navy is doing a wonderful work in combatting the destruction by the submarine, but it seems that since the month of January of this year the destruc-

tion wrought by the under-water craft is such as to more or less frustrate the measures which had hitherto been taken by the British navy. The British navy in this war has, of course, proved itself the wonder of the world, as was pointed out in a previous speech. The German navy is practically bottled up around the Kiel canal. The flag of Germany has been brushed off the seas. British commerce, apart from the submarine menace, is free to come and go, and all of this is due to the British navy. Personally I was never so proud of being a British citizen and a British subject as on the morning when we steamed into Liverpool harbour, surrounded by four submarine destroyers, which, like wasps, circulated around the bows of the ship in which were eight thousand Canadians. I never was so proud of being a British subject as I was on that morning. It was splendid to hear thousands of Canadian voices about 8 o'clock in the morning sing "Rule Britannia, Britannia rules the waves." Notwithstanding the fact that German commerce has been swept from the seas by the British navy and that the British navy and British genius has been most successful in combatting this menace, it is borne in upon the British people, as upon the rest of the world, that the menace has now reached such proportions that it cannot be successfully combatted by the ordinary means adopted by the British people and their Allies. Britain felt a month ago that there was a possibility of the submarine menace effecting the starvation of the British people. The shipbuilding interests of Great Britain were implored to rush the building of ships as they never did before, in order that vessels might be sent upon the seas to take the place of the commerce carriers which had been destroyed. They were doing all this, but Lloyd George came to the conclusion that there was another, and, perhaps, a more effective remedy. He stated in the House of Commons that England would never be starved by German submarines, because England had the remedy in her own hands: that of growing sufficient food to maintain her own population. While that may be within the range of possibility, the result might be an impairing of the efficiency of Great Britain's fighting forces. If Great Britain undertakes to feed her civilian and military population she will have to withdraw large numbers of soldiers and put them on the soil, thus rendering less efficient the forces with which she is combatting the efforts of the Germans on the western front. I understand that there is in Canada a large amount of surplus grain which it is almost impossible to convey across the Atlantic under present conditions. I say, without any political prejudice, that the Government is deserving of criticism for not having tackled this problem two years ago. The matter was brought to their attention not only by members on this side of the House, but also by gentlemen of high standing in their own party. The matter was then argued not from a political standpoint, but from the standpoint of national interest. There was no political bitterness or prejudice in the discussion which took place in the House two years ago last March or April, and it looked then as if something would be done. The matter may have been under consideration by the Government, but so far as we can see, that is all. No doubt there are difficulties in the way of rendering effective assistance to shipbuilding in Canada in order to supply means of conveying our foodstuffs to the old land, but I have no doubt the hon. gentleman who leads the House will enlighten those who do not know the workings of the Government as to whether or not something will be done. I think it is fair to say that the Government is justly subject to at least a mild form of criticism, not only for not having taken this subject up two years ago, but also for not doing something substantial to turn out ships in Canada, which would be of immense importance to the Allies in the winning of the war. I do not believe that any of us know exactly the extent of the destruction that has been wrought by the German submarines upon British, allied and neutral commerce, but we do know enough to realize that the menace is a most dangerous one and to have a clear conception of what our duty is in the premises. Apparently there is only one way of overcoming the disadvantage incurred by the sinking of so many vessels, and that is by furnishing a new vessel to take the place of every one that is destroyed. I am happy to say that while the discussion of this matter was proceeding, news was flashed across the wires to the effect that 13 Austrian submarines had been destroyed in the Mediterranean Sea. That is evidence of the fact that Britain and her allies are not asleep and that they are effecting by torpedo boats and other contrivances the destruction of many enemy submarines. Although up to

January of the present year Britain had been comparatively successful in combatting the attempts of the submarines to starve her people, yet the danger of the menace now stares us in the face and one of the principal things being discussed by the allies to-day, including our new ally, the United States, is how further to overcome this difficulty—and the way seems to be by means of supplying a large number of vessels. The Government of this country should do something. Perhaps they are doing something; perhaps they are going to do something, but I do not think they will blame us if we urge them to quicker action. This danger must have been foreseen, and steps should have been taken to subsidize, if you will, the building of ships in Canada. I feel that all Canadians are willing and anxious to assist the allies in every possible way, but the question is, are we doing it? Are we rendering every possible assistance to Great Britain in the way of getting our surplus supplies of foodstuffs across the ocean? I think, Sir, that we are not, and I feel certain that the Canadian people generally are of the same opinion.

The hon. member for Pictou said that the securing of a supply of steel plate would be a difficulty in connection with the building of steel ships. I think that difficulty would continue only a short time. When steel shipbuilding is established in Canada and we have large steel works on the Atlantic seaboard, those steel works, if they see an opportunity of obtaining a market for their steel plate, will undoubtedly establish mills and put in apparatus to enable them to manufacture the necessary steel plate to fill the void which we feel at the present time. Of course, we can get steel plate from the United States, but the United States may have more demand for it than they can supply in the near future. If the Minister of Marine and Fisheries or the Prime Minister will take the matter up with our steel works with a view to seeing that some tangible efforts shall be made with a view to pushing along the construction of ships, they will have a flood of steel plates in this country, and I have no doubt in the world that not only loyalty to the cause of the Allies, but the matter of business will force the manufacturers of steel in this country so to equip their factories that they will have no difficulty in manufacturing this particular article. In passing, I might say —and I have no doubt that this has come to the attention of the right hon. gentleman who leads the House at the present time (Sir George Foster)—that the Government of the province from which I come has taken up the question and has appointed a commission into whose hands it has given the sum of two or three million dollars to encourage and assist shipbuilding in the Maritime Provinces. If my recollection serves me aright, the provincial Government of Nova Scotia was going to give the privilege to the Dominion Government of naming one of the members of that commission. Although I am not quite sure, I think there was some talk of that a short time ago in the province of Nova Scotia, so that it might be worth while for the Minister of Trade and Commerce, or whoever is looking after the Department of Marine and Fisheries at the present time, to take up this question with the Government of the province of Nova Scotia.

The matter was also taken up of an aeroplane station on the Atlantic seaboard. I understand that we have three aeroplane stations and perhaps three aeroplane schools in Canada, one of them on the Pacific coast and two in the province of Ontario. While that is all right and while we desire to congratulate the Government on their efforts in that regard, the province of Ontario and the rest of the centre of Canada are not in the same position to-day as regards the menace we are discussing as are the Pacific coast and the Altantic coast. There is an aeroplane station on the Pacific coast; there is none on the Atlantic. I did hear some rumblings and whisperings a few months ago to the effect that the British authorities were desirous of having this country establish and equip an aeroplane station on the Atlantic seaboard somewhere on the island of Cape Breton. I do not know whether or not that report is correct, and I do not know whether or not the matter has ever come to the attention of the Government, but the authority from which I got the information seemed to be fairly good and fairly truthful, and perhaps the matter is under the consideration of the Government at the present time. Outside of the Pacific coast and British Columbia, there is no place where an aeroplane station would do so much good and where the necessity is so apparent as it is on the Atlantic seaboard. Let us take Sydney harbour and Louisburg. Louisburg harbour is the winter shipping port of the Dominion Steel Company and the Dominion Coal Company; it is an open port and is one of the best harbours in the world, notwithstanding the fact that it is not very well equipped for general commerce outside of the shipping of coal and steel. On the shores of Sydney

harbour are the steel works of the great steel corporation. These are two industries which are vital to the welfare of the country, and it is very necessary that they should be successful in their output both of coal and steel. I consider, therefore, that an aeroplane station and a few torpedo boats in that section of the country will be a wise precaution if we are going to have any maritime defence in Canada, although let us hope that they may not be required either in this war or in any wars to come. As regards the equipping of an aeroplane station, this section of the country has many advantages. It has the advantage, first of all, of being in a district where coal and steel are, comparatively speaking, cheap at the present time and where labour is not dear. There are also two Marconi stations near at hand, one at Louisburg and the other in the town of Glace Bay, so that an aeroplane station there is very necessary. While it is quite right to have aeroplane schools and to construct aeroplanes in Ontario, the point which I wish to make is this: that the present submarine menace does not materially or directly affect the interior of the country; it is the seaboard we have to look after at present. If the Government give this question of an aeroplane station in Cape Breton their attention, they will certainly arrive at the same conclusion as the British authorities have arrived at, that is, that an aeroplane station there, if not actually necessary, would be a wise precaution. I am not arguing the point because of the fact that I happen for the moment to represent that particular district, and I hope my hon. friends will do me justice in accepting my statement. My position, of course, may lend a certain stimulus to me in arguing the matter; but I am arguing it purely from a national standpoint and I think I have in my possession sufficient knowledge and sufficient facts to warrant me in saying that the British authorities were of the opinion that it would be a great thing, not only for a national defence but for the defence of the Empire, if steps were taken to establish an aeroplane station somewhere in the island of Cape Breton.

Sir GEORGE FOSTER: Is my hon. friend advocating an aeroplane station or a hydroplane station for Cape Breton island?

Mr. CARROLL: Probably a hydroplane station would be the better. That, of course, is a matter that experts would have to decide. I am not an expert in either branch myself. We shall not, however, quarrel on that phase of the subject.

Sir GEORGE FOSTER: The distinction is a very important one.

Mr. CARROLL: Perhaps I have taken up more time than I intended when I started to speak on this very important subject. I feel that a fair discussion should take place on it and I feel that the Government will not be doing their duty unless they take the matter up in an energetic manner and do something tangible that will tend to offset the menace with which the cause of the Empire and of the Allies is threatened at the present time.

Mr. O. TURGEON (Gloucester): Mr. Speaker, I would like to make one remark on this subject. I have already expressed my opinion in this House as to the construction of all possible ships, and at this late hour, Canada in conjunction with the United States can not build too many transports and commercial ships.

Every time I see a report that one of our ships has been sunk by a submarine I regret that the ship has gone to the bottom, but I still more deeply regret the food that has gone down with her. If the Germans increase their submarine activities it may be that after a certain length of time we shall be left without ships to transport our food. The hon. gentleman who has just sat down has drawn attention to the fact that during the last three weeks thirteen Austrian submarines have been sunk in the Mediterranean by the Italian navy. Great Britain and the United States are combatting the submarine not only by replacing the ships that are lost, but by directly destroying the submarines themselves by means of destroyers of all kinds. If the view of my right hon. leader in 1911, that small vessels and destroyers should be built in this country, had been acted upon, it would have been of immense value in meeting the attacks of the German submarines. Italy is the best equipped of all the Allied navies, in proportion to her total strength, in the matter of small destroyers of all kinds. The war has shown that vessels of this kind are most important. While I would urge the Canadian Government to do everything possible in the way of building merchant ships, both steel and wood, they should also build destroyers to attack the submarines. It is quite possible that more good would be done by sinking ten or twelve submarines

than by building an equal number of commercial vessels to replace the tonnage that has been sunk. My purpose in rising was to call the attention of the acting Prime Minister to this very important consideration.

Mr. D. D. McKENZIE (North Cape Breton): The question that is before us to-day is by no means a new one, and if it had been discussed this afternoon in an acrimonious partisan way, I do not think I should have taken part in the discussion, as I would regard the time as inopportune for discussing a question of this great importance from the standpoint of party politics. I am glad that every hon. gentleman who has spoken on the question this afternoon has avoided as much as possible the introduction of keen party spirit. I was pleased and proud to hear the very able speech of the hon. member for Pictou (Mr. Macdonald). We have heard him often on various questions, but I do not know that I ever heard him to better advantage than this afternoon. It is true to say that I never before heard the question of naval affairs so ably presented in this House except on one occasion, the speech on that particular occasion transcended everything that has ever been heard in this House or perhaps ever will be. The honour and glory of putting the case in that admirable way belongs to the right hon. gentleman who to-day leads the Government (Sir George Foster). On the 29th of March 1909 we heard him present this case in a way that could not be excelled, and this afternoon I wish to remind him—I say remind, because Paul when writing to some of his people was so delicate and careful in his language that he did not like to say they were bad, so he simply reminded them that there were certain things which they had acknowledged and of their duty in that regard—I simply wish to remind the right hon. gentleman of that celebrated and famous speech of his, perhaps the best in his career of many able speeches, in which he laid down the principles which actuated himself and which should actuate the Government in regard to naval affairs. If the Government of which he is a distinguished member would only carry out in a small way the principles which he then advocated my hon. friend from Pictou and the rest of us would be amply rewarded for any efforts we have made this afternoon. It is quite unnecessary for me to take up any time in pointing out the necessity for some action being taken. The necessity has been clearly demonstrated; indeed, it was not necessary for it to be demonstrated, for we all knew it. The hon. member for Pictou did not bring this matter up to-day, and we are not making these speeches, because we think there is anybody in this country who does not fully realize the great necessity of taking steps to protect this country. Our object is simply to stir up the Government to speedy action.

It may be said, although I do not think it is strong ground to take now, that the Government might fear adverse criticism from this side of the House, but we are disarming ourselves by throwing everything into the pot, so to speak, and giving to the Government the full weight and authority of whatever arguments we put forward, and our sympathy and support of any action taken by them along this line. As I said before, this is not a new question. When the present Minister of Naval Affairs addressed this House for the first time as a member of the present Government he said, speaking on this very question (Hansard Nov. 22, 1911):

> I think the people of this country will approve of the action of this Government in hesitating before rushing hastily into a policy which must involve an expenditure of so many million dollars every year. I think they will appreciate the course of this Government in doing what was stated by the Prime Minister in his admirable speech in reply to the right hon. leader of the Opposition, when he said it was the intention of the Government to consider with the English Admiralty this whole naval question from first to last. When we have done that, I think we will be able to come before this House and this country with a policy that will appeal to all Canadians as a policy that will be the best for the people of Canada and the best in the interest of the Empire in which we live.

That is getting to be quite a while ago now. That speech was delivered on the 22nd day of November, 1911, when there was no war in sight. The Minister of Naval Affairs said that the matter was under consideration, that they were going to take it up with the British Admiralty, and that a policy would be evolved that would be satisfactory to the Canadian people. I am impelled to say that in at least one respect this Government bears a semblance of divine grace, for one day is to them as a thousand years, and a thousand years but as one day. They were going to start immediately. But now it is pretty well on to six years since this plan was made, and there is not a ripple upon the surface to indicate any action on their part. I hope this debate

will be the means of stirring them up. I realize that the Prime Minister (Sir Robert Borden) is not here, that the Minister of Naval Affairs (Mr. Hazen) is not here. Still, we have an Administration and "the King's business must go on." I trust that the Acting Prime Minister (Sir George Foster) and the Acting Minister of Naval Affairs (Mr. Reid), knowing that there will be no opposition to any proper action on their part, will take courage, will gird up their loins, and will do something for the protection of the country and the advancement of our merchant marine.

How this shall be done is a matter for these hon. gentlemen to propose. I would suggest that we have in this country great concerns that, war or no war, will require many ships, and that it might be a good plan to associate these concerns with the Government in shipbuilding. Take, for instance, the Canadian Pacific Railway. The great transportation requirements of that concern make it necessary for them to use many ships. If they could be induced to undertake shipbuilding in this country, with the capital at their command, the facilities they enjoy and their great connections, their co-operation would be of the greatest advantage, and their interest in the matter would be a guarantee that, war or no war, the vessels would be used. There is in my own county and in that of my hon. friend from South Cape Breton (Mr. Carroll) a great concern, the Dominion Steel and Coal Company, Ltd. They require a great number of ships, and if the Government could enlist their co-operation in shipbuilding it would be a great advantage to the country. Another company which has its headquarters in Sydney Harbour is the Nova Scotia Steel and Coal Company, which is much in the same position, and which is now actually engaged in building ships. It is not as large a concern as the others I have mentioned, but a large concern nevertheless, and the men connected with it are men of vision in the affairs of the country. But, even should these people refuse to engage in this business, we have money of our own, and this Parliament is ready to vote for these purposes any reasonable sum. We have plenty of talent in Canada to enable us to build these ships. I understand that in Montreal there is already a shipyard which can turn out destroyers. The minister should take the full power of that concern for our own purposes, so far as the naval part of it is concerned.

As to wooden shipbuilding, every creek and cove along the Atlantic coast in New Brunswick and Nova Scotia is a potential shipyard, and shipbuilding in these places can be encouraged. The Government of Nova Scotia is starting in that direction, and I hope that this Government will co-operate with them or any other provincial government that will move effectively along business lines in this important matter. I trust that the Government will be stimulated to such action as will result in the solution of this problem so far as our own interests are concerned and will enable us to give assistance to the Empire which shall be a worthy expression of the ambition and pride of Canadians.

Mr. J. J. HUGHES (Kings, P.E.I.): It is universally admitted that we face a crisis in the history of the world and a crisis in the history of Canada because of the scarcity of ships. While present conditions exist our trans-Atlantic trade will be injured, and our interprovincial trade as well. One factor that has caused scarcity of Canadian shipping is the Norwegian-built and Norwegian-manned ship which for many years has received and is still receiving all the privileges of our coasting trade while not subject to restrictions put upon British and Canadian ships. For instance, British ships that are condemned can be purchased by Norwegians, they can be manned more cheaply, and outfitted more cheaply in Norway than in Britain or in Canada, and they are given all the coasting privileges of this country. The competition of these vessels has been so keen that the Canadian flag has been practically driven off the water. That should have been prevented, or at least considered. But now we are confronted with a condition under which our trans-atlantic trade and our interprovincial trade will be handicapped unless the scarcity of ships is remedied. And it seems to me that this cannot be remedied under present circumstances unless the Government comes to the assistance either of corporations or private concerns which take up the building of ships. The Newfoundland Government has grappled with this question. There was a scarcity of shipping there such as in Canada. I understand that the Government there is giving a bonus of $20 a ton on wooden ships. And it is stated by those who have some knowledge of this subject that $20 a ton bonus would be sufficient to induce men with capital, men of experience, to undertake the building of wooden vessels in the Maritime Provinces. Years ago, the industry of building wooden

5 p.m.

ships was a very important one in the Maritime Provinces, but owing to conditions which I need not mention, for they are known to everybody, wooden ships practically disappeared from the seas, except ships flying the Norwegian flag.

At present, and while the war is on, the Government, no doubt, has to consider carefully the ways and means. I have a suggestion to make on that point which may be worthy of consideration. The Government has now on the Order Paper notice of a Bill standing in the name of the Minister of Railways (Mr. Cochrane) "An Act to encourage and assist the improvement of highways." I understand that it is the intention of the Government to appropriate $10,000,000 for this purpose. That, I think, is a matter that is not nearly so pressing at this time as the construction of ships. I think it will be a contentious and controversial measure.

I doubt the propriety of the Government introducing highly controversial legislation at this time and under the prevailing circumstances. If the Government would devote to shipbuilding the $10,000,000 proposed to be spent under this Act, if it is passed, it would meet with the general approval of the House and the people of Canada. If $20 a ton is sufficient to attract capital, skill and labour, in the colony of Newfoundland, perhaps a similar amount would be sufficient to attract capital, labour and machinery for the construction of ships in this country. I say that $20 a ton would build 500,000 tons of shipping, a very considerable quantity, that would probably meet all the needs of Canada for some years to come. The question of building standardized ships for ocean transportation, of course, would have to be considered and would likely be considered in connection with this subject. But the question of building smaller ships that could take part in the interprovincial trade, which is just as important as the trans-Atlantic trade and should not be overlooked. The building of smaller ships would establish an important industry and these ships would be useful as feeders to the trans-Atlantic trade. The industry would not only give employment to the mechanics who were building the ships, but employment to the carrying trade which at the present time is in a serious position in the Maritime Provinces. We have not the ships or the coasting schooners to-day to do the trade which is so essential in that part of the country. It is going to be a serious matter for the people living along the coast, where there is no railway communication, to carry on the ordinary business of the country. It is certainly a matter that the Government should take into consideration. The amount necessary to meet the conditions is well within the resources of Canada. I would again urge upon the Government the advisability of considering whether or not this more pressing need might not be taken in hand before they proceed with the Highways Bill which stands on the Order Paper. I wished to make these remarks on this question because it is the most pressing question which Canada has to face to-day, and a most important question to the whole of Canada, and particularly to the people who dwell upon the coast of British Columbia and the Maritime Provinces. I hope the Government will make an announcement on this subject.

Hon. Sir GEORGE FOSTER (Minister of Trade and Commerce): Mr. Speaker, my hon. friend from Pictou (Mr. Macdonald) has certainly taken generous advantage of the provision of the rules of the House under which he has made the motion. I do not think I would be travelling outside of the record if I stated that this particular rule was framed for the purpose of giving facility for discussing on sudden emergencies very urgent questions, which the ordinary leisurely rules of the House would not permit. I do not think it was ever meant that this rule was to be used as a channel by which discussions were to be brought on without regular notice, upon subjects of general policy such as this, and which have been before the House again and again and again. The statement of my hon. friend—I am just making this criticism by way of commencement—upon which he gets his opportunity to address the House and initiate this discussion is that he desires:

> —to discuss a definite matter of urgent public importance, namely, the menace to national interests by the German submarine campaign and the necessity of meeting it, and what Canada should do to deal with the situation.

On any fair interpretation of the rule, that would mean that there had rapidly developed in the mind of my hon. friend such urgency in reference to submarine warfare that he could not wait on the general rule which allows debate in the ordinary parliamentary way. In so far as my hon. friend kept himself to the discussion of the submarine peril, and to what we should do to grapple with it and destroy it, he was entirely within intention of the rule he

invoked, and so far I have no objection to find.

But this is really a very delicate question to launch into the House for general discussion. The hon. gentleman (Mr. Macdonald) says that such-and-such is in peril; that we are doing nothing to counteract it, or, he asks: What are you doing to counteract it? To defend ourselves against such an attack, I would have to detail to the House just exactly what has been and what is being done, which, of course, it is impossible to do if we are to exercise commonsense prudence in this war time. One hon. gentleman opposite detailed to the House that there were certain localities in the Maritime Provinces where there was absolutely no protection, and where there are banks filled with money. The Kaiser has long ears, as it has not taken the world three years to discover. He gets information, and so do his minions, all the world over. If you should make sufficient answer to the man who tells you that this is a peril and that you have done nothing against it, you would have to say just where the strong points are and what they are, and thus advertise to the German Government that these are the points that they have to avoid; or if one points out that there are defenceless places which could be easily attacked, the German Government would be very glad to know. Their submarines sail under the sea, they are hidden from human ken, and information of this kind would doubtless help them in the effectiveness of their operations.

So that it is a delicate matter to take into a legislature. Much criticism has been made in Britain—some of it perhaps fairly just, much of it certainly unjust—as to the amount of publicity which should be given to those matters, and there have been heated discussions on it in the Houses of Parliament and outside. But that there is danger in public revelations of what is being done, no member opposite will deny. If I understood my hon. friend, his plea was that the transports for troops and munitions and food provisions that went from Canada were in peril because there was not sufficient provision for defence against possible disaster from submarines; and if I caught one sentence of his aright, it was to the effect that these transports went over without being properly convoyed. Now, not a transport has left a Canadian port which has not been under the supervision, under the direction, under the guidance of the British Admiralty, from the time it started until it reached its destination, and the British Admiralty commands the greatest naval force and facilities of any country in the world, as great as almost all other countries combined. It is not fair to create the impression amongst the people of the country, a great many of whom naturally enough do not have the facilities for understanding these questions, that our troops and our supplies for the troops are really passing across the sea in peril and ungarded because the Canadian Government has not done thus and so. My hon. friend speaks about the Deutschland having come over to this side of the ocean. We all know that there are possibilities. The U boat of the present time is a wonderful ingenious machine of great power and of wide scope as to the zone of its operations. It is a peril, but nobody will deny that the peril of the submarine has up to the present been and even at the present time is mainly on the other side of the Atlantic and not on this side, so that the defensive and offensive machinery against the submarine have been put into force where they are most effective and are most largely called for. There is a peril on this side of the Atlantic, but it is a possible peril rather than an extremely probable one, and it is one which, if probable, is not at all the serious peril that it is on the other side of the Atlantic. I can not go into detail because it would not be wise to do so, although I know that some will say: "Oh, that is a subterfuge." It is not meant as a subterfuge at all. I am absolutely honest in making that statement. It is impossible for me or for any member of the Government to go into the matter before the House and to show to the hon. member for Pictou (Mr. Macdonald) and the other members of the House just what has been done and what is being done in order to protect our Atlantic coast from the peril of the submarine, probable only although it be.

Mr. MACDONALD: Does this statement relate to what is done by this Government or by the British Government?

Sir GEORGE FOSTER: In this matter the Canadian Government does not feel that it is incumbent on it to look after the whole naval protection of this side of the Atlantic ocean any more than it feels that it is incumbent on it to look after all the land forces and power necessary to secure a successful conclusion of the war. It does not arrogate to itself that duty. It works in conjunction and complete and close

unity with the Government of Great Britain, and the naval and military authorities of Great Britain; and every step that we have taken, and every step that we have avoided, has been taken or avoided after consultation with and on the advice of the British Government, through its admiralty and navy. My hon. friend need not be in too much trepidation as to what has been done and is now being done and will be done for the protection of these coasts. I can not go into particulars, but I may say to my hon. friend that to-day every ship-yard in the Dominion of Canada which is able to build ships and has an equipment therefor, has not only the opportunity but has the actual contract for building every craft that it can possibly build; that to-day the building of vessels in this country for the specific purpose of warding off and fighting against the submarine peril is engaging the activities, is employing the labour, and is being carried out by the supervision of the ship yards in this country. The statement I made a moment ago covers the whole ground.

As to wooden ships, an arrangement is now completed and is being carried out whereby anybody or any company that can undertake in a bona fide way to build wooden ships and to deliver them within a certain time, will get the opportunity of building the ships and will be assured that the ship will pay for the cost of construction, with a reasonable profit. That is being done along the line of the co-operation that I have spoken of. We are working together, in and in with each other. These ships and vessels—let me be perfectly frank about it—are being financed in the main by British capital but they are being helped as well by the Dominion Government, and the operative work is being done by Canadian labour under Canadian supervision. So if the position is taken that the problem of meeting the submarine peril includes the finding of finished ships to fill the shortage of tonnage that has been caused by the submarine destruction, we can say that everything is being done that can be done in Canada to-day, taking into account possible labour, possible material, and ship building equipment. Every ship that can be made in Canada is being constructed as rapidly as possibly can be in order to help to fill the shortage of tonnage caused by the submarine destruction.

If what the hon. gentleman (Mr. Macdonald) is looking for in the first place is, that the submarine peril shall be met and grappled with, then it is being met and grappled with. If what the hon. gentleman has in his mind is that, if the submarine continues to put a large number of ships to the bottom, the shortage shall be made good as speedily as possible—that is being grappled with. It will be met by the construction of British ships with British money, many of which are being built to-day and will be built this year and next year in Canada.

Mr. MACDONALD: Are they to be Canadian registry ships, or are they not?

Sir GEORGE FOSTER: My hon. friend is acute and shrewd. There was no need for that question, because I said as explicity as the King's English could put it that these ships were being built by British capital.

Mr. MACDONALD: Then you are not doing anything in the matter of building ships.

Sir GEORGE FOSTER: Whom does the hon. gentleman mean by "you"?

Mr. MACDONALD: The Government.

Sir GEORGE FOSTER: What is the special anxiety of my hon. friend? Is it as to the work which he says he wants done, being done under British capital expenditure, and in British dominions, of which this country is one? Is that what he is after when he looks upon conditions resulting from the submarine war and expresses a desire that its ravages shall be repaired? If that is what he is after, he has a sufficient answer—that is being done. Or does he want to launch the accusation against the Canadian Government that they are not putting their own money into this; that they are not doing it with their own particular means? Does he say: I acknowledge that that accusation, even if well founded, has been fully met by provision for reparation to the extent that we can make it with British capital in this country, but I want to make a case against the Government itself and so it does not satisfy me that the void is being filled; I want it filled by you, and because you do not fill it, I shall have a grievance. He asks for leadership. Is the member for Pictou a heaven-born leader? Is he erecting himself into a naval and military critic who knows more about what ought to be done on this coast with aeroplanes, with submarines, and with all the machinery for coast protection, than do the British Admiralty, with their brave and

skilful officers, and with their centuries of experience? My hon. friend may be justified from a party point of view, but hon. gentlemen will have observed that he told us he started out with the idea of saying nothing in a partisan spirit. It was his immense apprehension of the submarine peril and his immense desire that that peril should be met and that the vacuum of ravage should be filled up, which induced him to make the representations that he did. Now he is not satisfied; he wants to know why another fellow did not take the necessary steps rather than the fellow who is doing it.

I do not know that I ought to go any further, because this is not the time for a debate upon the commercial marine of Canada. I frankly acknowledge that it is a fair subject for discussion whether the building of ships should be done entirely by British capital in this country to the fullest extent of our capacity to assist in that building, or whether we ought as a Government to be building ourselves and consequently to be making up gradually a commercial marine for Canada, having regard to our future needs. That, I say, is a fair subject for discussion, and probably there would not be very much difference of opinion between us on the principle itself. But the member for Pictou acknowledged that there were some difficulties; that ways and means have an important bearing on the matter. The member for Guysborough (Mr. Sinclair), however, was as light as air. I mean in this sense, that there did not seem to be any responsibility from above resting upon him when he stood up and said in a light and airy way that the Government ought to build 200 ships.

Well, Canada is doing a great deal. She is lavishing a vast amount of money, as well as her blood, upon the operations connected with this war. It is impossible for this country to do everything. Two hundred wooden ships of 4,000 tons each would cost from $60,000,000 to $70,000,000; and if they were steel ships they would cost nearly $150,000,000. It is a question whether the best thing is not being done—British capital building the ships for British commerce, and Canada devoting her energies to other kinds of work—costly enough, heaven knows, but borne cheerfully by the people.

I want to caution the House. Maybe hon. gentlemen do not need it; some of them are older than I am, and some are younger. But there is a disposition on the part of hon. gentlemen in this House to cite things that are not done as having been done, and things that are simply rumoured in the papers as being matured decisions of Governments. My hon. friend spoke of the United States having made up its mind to build 1,000 wooden ships. I am not aware that the United States has made up its mind to build 1,000 wooden ships. I know that reams of paper have been given to the dissemination of that idea in the American newspapers, but my latest information is that no decision has been arrived at as to the number of wooden ships that shall be built. My hon. friend thought that there would be no difficulty in our building steel ships. Let me tell him this: for the ships which are being built in Canada to be delivered in 1917, sufficient steel plate has been secured or is in store. For vessels which are to be delivered in 1918, most of the steel plate that is necessary is under contract, and, it is hoped, will be delivered. But you cannot go to the United States to-day —the only place where you can get plates for steel ship building—and make a contract for delivery within a year's time at even the enormous prices which they are charging. Steel plates for shipbuilding could be bought in normal times at 2¾ cents and 3 cents a pound, whereas to-day they cannot be got at less than 9 cents and even 10 cents a pound. But recollect this: whereas heretofore we have been able to place orders for steel plates in the United States and get deliveries gradually at the increased prices, to-day the United States is commencing to build up the machinery of a mighty offensive effort against the common enemy of us all, and her steel producing activities will be tried to their very utmost in order to meet the necessary demands. It is not and it will not be an easy thing to get steel plate for shipbuilding purposes.

I think one of the members of the House intimated that we might now divert our efforts from munition work to the building of ships. I would not endorse that idea at all. We are all thankful that British activity, organization, scientific skill, and method have increased the small proportions of explosives that were made and the small supplies of guns that were possibilities during the first period of the war, until to-day in explosives and in heavy guns Great Britain is well supplied. Great Britain, however, has Allies and these Allies must also be well supplied if the war is to be carried on to a successful conclusion. Guns wear out and explosives are shot away by the million dollars' worth every day that this war lasts, and the same gigantic, scientifically constructed organi-

zation which, working with a will, has brought about the splendid condition as regards explosives and heavy artillery that Great Britain, fortunately for herself, is in to-day must keep vigorously at work on the same scale because of the wastage that takes place and the necessity of constantly implementing what is used. Therefore, I could not say that the war would go on just as well if Canada stopped the making of munitions and turned her attention to the building of wooden ships. The situation would be fraught with peril if we were to shut the doors of our munition factories and were to turn our attention instead to the construction of wooden ships which could be of little service for five, six, or even seven months. I do not think we could justify such a step for a single moment.

Let us not get into a panic in regard to the submarine menace. The submarine is an awful, piratical, destructive engine of war; it has done immense damage; it is doing immense damage now, and it will do immense damage during the whole course of the war, but the British fleet, with the experience and devotion of its leaders and its personnel, in conjunction with that magnificent fishermen's fleet, 100,000 strong in men whose daily occupation before the war was the sweeping of the seas for the harvest to be garnered therefrom, who have given their services to the Government with a courage, a discipline and a coolness unequalled by the trained men on the battleships, has swept those dangerous seas for the safety of the commerce of the whole world. That fishermen's fleet has swept those dangerous seas and is sweeping them every hour and every day with sometimes not a hair's breadth between those gallant fishermen and sudden and certain destruction. It is that less splendid but not less serviceable part of the British naval work—the fishermen's mine sweeping and trawling work—that, added to the British navy, and backed up and supported by newer methods of fighting submarines which are every day coming to the front has done and will continue to do that important work that make us feel that although there is tremendous peril and great destruction of life and of property still ahead of us, it is not sufficient to break the confidence of the Allies and of the British Empire, as a part of the Allies, in the coming final real victory for which we are all working.

Mr. SINCLAIR: I understood the minister to say that British capital is now available for the construction of Canadian ships in Canadian yards. This is news to some of us as it has not been made public before and it is very important news. Will the minister, therefore, be kind enough to tell us on what terms a builder can secure British capital?

Sir GEORGE FOSTER: A builder does not personally secure British capital, but if he makes a bona fide offer and shows that he has the financial capacity, equipment, and the labour to build those vessels, he will be given a contract up to the extent of his capacity.

Mr. SINCLAIR: I understood the minister to state further that a guarantee would be given that no loss would occur to the parties undertaking the building of ships.

Sir GEORGE FOSTER: I stand by what I said. That will be the case.

Mr. MACDONALD: Does the Imperial Munitions Board give that guarantee?

Sir GEORGE FOSTER: The Imperial Munitions Board acting for the British Government.

Mr. SINCLAIR: It is curious that they did not give that information to the public.

Mr. MACDONALD: Mr. Speaker, unless any other hon. gentleman desires to speak, I will now proceed to close the debate.

Mr. DEPUTY SPEAKER: If any other hon. member wishes to speak on this subject, he must do so before the hon. member for Pictou speaks again.

Mr. E. M. MACDONALD (Pictou): Mr. Speaker, my right hon. friend, desiring to evade the question, has indulged in that warmth of speech of which he is such an admirable master. As my right hon. friend has reproached me for introducing this subject in the way in which I did, I may say that I was well within the rules and absolutely justified in bringing this question before the House; and if I were not justified, then no other matter can be conceived that can be brought before the House on the consideration of a motion that the House do now adjourn. This is a most important question for the consideration of Parliament; it is one that was discussed in the Imperial Parliament on Tuesday of this week when there were none of these suggestions or whisperings or insinuations that you must not say this or that or the German Kaiser will hear what you say on the floor of the Imperial

Parliament. Instead of that, the members were told: You are the free representatives of Great Britain discussing this, the greatest menace of the war. Yet my right hon. friend suggests here to-day the bugaboo that we, the representatives of a free people in this country, must not look the situation in the face and must not ask this Government whether they are realizing the menace that the Imperial Government have realized; we are told we must not speak except with bated breath. When my right hon. friend indulges in statements of that kind by way of pretext, I reject any such suggestion. This matter is one of the greatest importance before Great Britain or any of her Allies. It has been discussed in their Parliaments; it forms the common subject of discussion in the press of the United States. The President of the United States, the Secretary of State, and the Secretary of the Interior deal publicly with this question and the part they are going to play in order to meet and overcome this great menace; but when we come to this Canadian Government, it clothes itself with holiness and declares that nobody must venture to suggest that with its omniscience it can do wrong, and that no one in this free country must venture to suggest that it should do or not do anything. That is the atitude of my right hon. friend. If he fancies that the people of this free country, the red-blooded men of Canada, are going to submit to that kind of dictatorial Kaiserism, he is making a great mistake. Either there is a menace or there is not one; and if there is, what is this Government doing to deal with it? I said nothing with regard to the situation in the Maritime Provinces or anything else that required any homilies from my right hon. friend. He has told us that the British Navy has been wonderfully successful in giving us protection and in transporting our men and supplies across the ocean; I cordially agree. But here was a new menace. The British Admiralty admitted in the House of Commons the gravity of the situation. Yet in the House of Commons here nobody must say anything about it. If we do, we are helping the Germans! Such ridiculous absurdities can hardly stand the light of day in this twentieth century in our free Parliament. What does my hon. friend say that he is doing about this menace? He wound up with a peroration paying a glowing tribute to the British Navy which we all admire; but although the United States are spending one billion dollars to build up a merchant marine the minister says that Canada should not do anything. He says that the Imperial Munition Board is building ships in this country with British money, to which the Canadian Government are contributing; everything that is proper to be done is being done; it is treasonable to ask any questions about it; that is what my hon. friend said.

Mr. LEMIEUX: What about the overseas Minister of Militia?

Mr. MACDONALD: Yes, the great overseas Minister of Militia, who is so much admired by the ex-Minister of Militia, the man on whom Canada pins her faith. But I will not turn aside to discuss that gentleman's capacity and record, as we shall probably have an opportunity at some other time except to say that everybody who has been in England knows how little fit he is to guide the destinies of Canada's overseas forces. My hon. friend says that the Munitions Board are building wooden ships in Canada with British money, to which the Canadian Government is contributing, and that we must not ask anything more about the matter. We are not going to build ships. I asked the Minister of Finance the other day what this Government was doing in the way of building ships, and he said: "The matter is under consideration." Now we have the statement of the Minister of Trade and Commerce that even if the matter was under consideration, nothing is going to be done about it, because the Imperial Munitions Board are building wooden ships. My hon. friend from Guysborough tried to get some information, but he was no more successful than I. The minister tells us Canadian money is being given the Imperial Munitions Board, a body that is not responsible to the Canadian people, and that the Board is going to build ships for somebody. We cannot tell you anything more than that, he says. We must take it for granted that these things are being done. I say that we will have to have a full statement from my hon. friend at some later date as to just what the Imperial Munitions Board are undertaking to do, what ships they are building, and where they are being built. My hon. friend intimates to the House that the Government, as a government, do not propose to insist upon the construction of either steel or wooden ships in this country. The Government of the greatest overseas dominion of this Empire, living adjacent as we do to our great Anglo-Saxon neighbour, are going to do nothing as a government in the way

of building ships. The United States realized the necessity of filling up the gaps created in the merchant marine and in the navies by the German submarines, and that country is doing splendidly, but this Government does not propose to do anything. We are going to let the British Government do it all through the Imperial Munitions Board. We are not going to give one dollar, although vessels of Canadian registration, flying the Canadian flag, and transporting Canadian goods, are being sunk week after week. Our whole merchant marine may be obliterated before the war is over, and yet the Minister of Trade and Commerce of the greatest dominion in the Empire is responsible for the statement that Canada will not do a single thing or give a single dollar towards shipbuilding.

Sir GEORGE FOSTER: The Minister of Trade and Commerce is not responsible for any such statement, for he never made any such statement, and he is not at all responsible for any inferences that my hon. friend chooses to draw.

Mr. MACDONALD: What is the Government doing?

Sir GEORGE FOSTER: Hansard will give you exactly what I said. I generally am able to make my meaning plain. If my hon. friend will see what I said in Hansard to-morrow, and will put that side by side with what he has just said, if he is fair, he will be crying " peccavi " to-morrow afternoon.

Mr. MACDONALD: If my hon. friend has made any statement indicating that the Government are contributing a dollar by way of bonus, or subvention, or in any other way towards the construction of ships in this country then I am sorry, for I must have misunderstood him. If he has indicated that this Government, as a government, is providing for the construction of ships in Canada, I did not so understand him, and if he did make any statements of that kind I pause for a moment to see if he will repeat them.

Sir GEORGE FOSTER: I do not know whether or not I can succeed in enlightening my hon. friend. I made a statement with regard to certain things that were being done. I did not make any statement as to what the Canadian Government proposes to do in the future with reference to shipbuilding. I am not called upon to make any such statement. There will be a time when the Government will make known what it proposes to do in that regard. If I did not say in my remarks that the Canadian Government was expending its own money in the construction of a number of these vessels, then I probably did not go as far as I should have done—but, that is the case.

Mr. MACDONALD: Where are they being constructed?

Sir GEORGE FOSTER: In Canada, at different shipyards.

Mr. MACDONALD: Have contracts been let?

Sir GEORGE FOSTER: Contracts have been given, and some of the vessels will be ready to take the water in June.

Mr. MACDONALD: Where are these vessels being built?

Mr. HANNA: Is there anything else you want to know?

Mr. MACDONALD: If my hon. friend thinks that this free Parliament is run by the decrees of an internal body, well, he may be Tory enough to believe it. The Minister of Trade and Commerce knows that this Parliament has a right to know whether contracts have been let for these vessels. He is too old a parliamentarian not to know that.

Sir GEORGE FOSTER: Certainly this Parliament has a right to know, and if my hon. friend wishes to know he will get his information. I am not quite sure—and here again I shall offend the democratic susceptibilities of my hon. friend—when he will get exact information as to the number of patrol vessels and mine sweepers that are being constructed by the Dominion of Canada at the present time. I am not sure that he will get that information; I am not sure that it is wise that he should.

Mr. MACDONALD: We have succeeded in getting some information at all events, but I would say to my hon. friend, if it is possible for the British Government and the Government of the United States to give to the people who supply the funds to enable them to administer the affairs of the country, information such as has been given to them in this regard, I see no reason why my hon. friend should not give similar information to this House.

Sir GEORGE FOSTER: Let my hon. friend be fair. Will he point out any particular time within the last two years when either in the United States or in Great Britain the men who have charge of this mat-

ter of building vessels for the purpose of meeting the enemy's warships, either under the sea or on the sea, have detailed the places at which they were being built, the kind of vessels which were being built, or the number? I was in England last summer and by the courtesy of the British Government I had the opportunity with others who were with me to see the inside of the building and operating work which was going on there, to meet the German peril both undersea and overhead. I was shown these things under the seal of secrecy, and not a note could I take, not a note did I take, during all that time. I want my hon. friend to point out where, either in the United States or in Great Britain, this particular information has been given.

Mr. MACDONALD: My right hon. friend (Sir George Foster) knows very well that, while in the Government circles these things are regarded as matters of secrecy, in the shipyards of the country the number and character of vessels under construction is a matter of common knowledge, both in Great Britain and the United States. He knows that if he will turn to the English Hansard he will find there statements given in regard to the shipbuilding that is going on. He will find that, repeatedly, Lloyd George himself has made statements as to the number of vessels of various classes under construction and their tonnage. But all we have been able to extract from the right hon. gentleman (Sir George Foster) is that some mine-sweepers are being built. But he will not permit me to say, and I hope he will take no exception to my way of saying it, that on the question of assisting toward making good the deficiencies in our merchant marine, caused by the action of the enemy, we are left to infer that the Government are doing nothing.

Sir GEORGE FOSTER: My hon. friend will allow me to be definite. He has stated that both in the United States, in the Congress or outside of it, and in Great Britain, in their Parliament or outside of it, those in authority have repeatedly given information as to the war vessels under construction, their kinds and dimension and where they were being built. Will he substantiate that by something more than a general statement? Will he show me his authority?

Mr. MACDONALD: I shall be glad to give it at the proper time—

Some hon. MEMBERS: Oh, oh.

[Sir George Foster.]

Mr. MACDONALD: The right hon. gentleman comes to us—

Sir GEORGE FOSTER: I will give my hon. friend any time he likes, if he will only do it.

Mr. MACDONALD: I am glad the right hon. gentleman accepts the suggestion. I am sure he appreciates the fact that this Government, naturally and properly, should accept it under the circumstances. He has very promptly drawn the discussion away from the main subject to a side issue. He has evaded the substantial question, whether this Government proposes to do anything to assist in the construction of merchant vessels in this country to fly the Canadian flag and to fill the vacancies which take place in our merchant marine day by day. The policy of the Government under consideration a week ago is still under consideration, and nothing is done. He utterly misapprehends my motive in bringing this matter to the attention of the House. I have urged, as it was my right to do, and as has been urged in England and elsewhere, the necessity of the Government dealing with these matters in some definite way. So far as our merchant marine is concerned, we are left to understand that nothing will be done. We are told that arrangements are being made in some other way. But so far as the great question which has been dealt with by both the British government and the United States government, where they faced the issue openly and fairly, and made their announcement as to what they were going to do, the right hon. gentleman evades the question. We have no policy of this Government in regard to assisting the construction of merchant vessels in Canada, either by the Government themselves or by subvention or other assistance. We are not told that the Government is grappling with that phase of the question or undertaking to deal with it in any way.

As it is six o'clock, Mr. Speaker, and as I cannot be here when the House resumes, I ask leave to withdraw my motion.

Motion withdrawn.

At six o'clock the House took recess.

After Recess.

The House resumed at eight o'clock.

UNITED STATES TARIFF ON WHEAT.

On the Orders of the Day:

Mr. J. G. TURRIFF (Assiniboia): Mr. Speaker, I would like to get a little infor-

mation if possible, from my hon. friend who is leading the House (Sir George Foster). I have the following telegram from Winnipeg:

Try and get something definite on import duty on wheat and wheat products under new proposed tax in the United States. Great uneasiness here owing to large cargoes lying over there which were either released from bond or have been left over ever since supposedly free wheat.

I presume the information that is wanted is as to the position of wheat cargoes that were released from bond over there, but probably not disposed of. I am not sure of that but that is what it appears to be. In the meantime there is a duty of 10 per cent on wheat going into the United States as a war duty and I presume they desire to know if the Government has any information as to whether that duty would cover cargoes of wheat which have been released from bond and not disposed of.

Sir GEORGE FOSTER: The Bill in reference to which my hon. friend (Mr. Turriff) speaks is only at present a Bill which has been reported from the committee to the House. There has been as yet, in so far as I know, no discussion of it in the House and no one knows how that Bill will come out of the House. My hon. friend has just as much information as I have, or as can be got, until the Bill is acted upon and becomes law in one form or another.

Mr. TURRIFF: It is not law at the present time?

Sir GEORGE FOSTER: No.

DR. BRUCE'S REPORT.

On the Orders of the Day:

Hon. FRANK OLIVER (Edmonton): I deside to draw attention to a statement appearing in Hansard on February 7. Hansard says:

Sir ROBERT BORDEN laid on the table of the House a report by Colonel Bruce on the Canadian Army Medical Service.

He said: This is the only copy that is available on this side of the ocean at the present moment. I have, however, decided that it had better be laid on the table of the House, as further copies are coming in the immediate future. I should explain that it is marked "confidential, for official use only." Under ordinary conditions, I should think it ought not to be brought down; but it would appear that it has been made public, wholly or partially, through the press, I do not know in what way. Further, it seems to me that to avoid any misconception and understanding which might arise, if it was not brought down and laid upon the table of the House, it is better to take that course than to refuse to lay upon the Table a document which was intended only for confidential official use in the first instance.

Mr. LEMIEUX: Will it be printed during the recess?

Sir ROBERT BORDEN: It is being printed now, I understand. Some forty copies, I think, are coming from England by mail. These will be available, and we will have further copies printed if necessary.

I am also laying upon the table of the House the report of the Board of Inquiry of which Sir William Babtie was chairman. This report deals with practically the same matter as the report I have already laid upon the table of the House, and it is proper that if the one report is placed before the House and the country, the other report should also be made public.

Understanding from the statement made to the House on February 7 that it was the intention of the Government that this report should be printed for the information of the public, I applied at the distribution office yesterday for copies of this report and was informed that they were not available for distribution and that the report was not being printed. I would like to ask the Government if that is the position of affairs?

Sir GEORGE FOSTER: Whether the report is being printed here or not I do not know, but we have a number of copies which have come over, as intimated, from England, and my hon. friend can be served with a copy on application to the clerk.

Mr. TURRIFF: I may say in connection with this matter that when the report was first laid on the Table I got a copy from the clerk in charge and was getting some extracts from it for later use when the King's Printer was very anxious to get it and sent for it. He told me that there was quite a number being printed and that there would be no trouble in getting all the copies we wanted.

Sir GEORGE FOSTER: I will make inquiry as to whether it is being printed and how far it has got on. There is no objection to its being printed, if it is necessary.

Mr. OLIVER: In this connection, I wish to draw attention to a statement which appeared in the press that Dr. Bruce made a defence, if I would understand it in that way, or a reply, to the Babtie report which was placed by him in the hands of the Minister of Militia. I would ask if it is the intention of the Government to make public this reply or report of Dr. Bruce.

Sir GEORGE FOSTER: I will make inquiry in reference to that and let my hon. friend know.

SUPPLY.

The House in Committee of Supply, Mr. Blain in the Chair.

Department of the Interior, Dominion Lands and Parks—Salaries of the outside service, $465,000.

Hon. W. J. ROCHE (Minister of the Interior): This is to pay the salaries of all the outside staff numbering 447, the same number as last year. This includes the salaries of the staffs of all our land agencies in the West, timber inspectors, homestead inspectors, inspectors of land agencies, ranches, and sub-agencies.

Mr. OLIVER: I wish to repeat the criticism I made last year that, in my humble judgment, the condition of the business of the department of the Interior in the West does not warrant a large expenditure of this kind. It is being urged upon the country that there should be saving in all lines on account of the heavy drain on the resources of the country because of the war.

I desire to take the responsibility of saying here and now that in my judgment—and I speak as one having some knowledge of the subject—this is an absolutely unwarrantedly large expenditure at this time and under these circumstances, and that this item should not be as large as it is.

Mr. ROCHE: My hon. friend's criticism, I presume, refers to the expenditures of the Interior Department generally. This particular item, of course, is for the Outside Service.

Mr. OLIVER: I refer particularly to this item.

Mr. ROCHE: That would mean that the hon. gentleman thinks that our staff is over manned?

Mr. OLIVER: Absolutely over manned.

Mr. ROCHE: My information is quite the contrary. We have 160 of those men who are doing duty at the front. The places of many of these we have not filled, in fact that has only been done where it was absolutely essential to do so. These men are drawing an average of about $1,000 apiece, which is a small salary, comparatively speaking, taking the whole outside service, in this period of high cost of living. Our land offices have been extremely busy in connection with the extra work entailed by the seed grain advancement. We have been using our land office staff, our homestead inspectors, etc., during the winter months, and they have been kept very busy. In fact in certain classes out there it is almost impossible to secure help at the present salaries, particularly in the case of clerical help and stenographers. Some of our staff are leaving because of the low salaries. I am inundated with applications for increased salaries from the outside staff, because they are underpaid. There are many in the Inside Service at Ottawa drawing $700 to $900 and the hon. gentleman will realize, I am sure, as he is a western man, that the cost of living there is at least as high as it is in Ottawa. It is considered essential to introduce legislation at this session to increase the salaries of the lower grades of the Inside Service, and I was seriously considering doing the same thing in connection with the outside service, applying the increase on the same basis to those getting $60, $65 and $75 per month. I do not think it is possible to cut down our staff at the present time. They have been very busy, and I disagree with the hon. gentleman in his statement that we should dispense with their services, in view of the fact that fully 160 of them have enlisted and gone to the front.

Mr. OLIVER: Does the minister mean to say that there are 160 of the employees of the Interior Department who are at the front and are drawing their salaries from the Interior Department as well as their military pay, and rendering no service to the Interior Department?

Mr. ROCHE: I do not say that. I say there are about 160 who have enlisted from the outside service. Many of those are overseas. Some of them enlisted prior to the Order in Council which provided for the pay of the civil salary less military salary. That is, they are drawing full salary. Those who enlisted prior to November 1, 1915, are drawing their full civil service salary, and those who enlisted since then have their military pay deducted from their civil pay. In some instances we have had to replace those men, but we have been trying to avoid filling their places unless it was absolutely essential to do so.

Mr. OLIVER: Is there some difference in the quality and constitution and responsibilities of a gentleman who holds a position in the Government and one who is a plain

citizen of the country, that the one should be guaranteed his civil salary while he is rendering patriotic service, while the other must lose whatever civil advantages he may have in order to render such service? I did not know that the gentlemen who are fortunate enough to be civil servants of our country are of such superior flesh and blood to other citizens that they should be so especially differently treated, and, especially as I have said, at this time when we are all called upon to exercise economy. It appears to me that the Government which calls upon the country to exercise economy should give leadership in that exercise of economy, and should deal with due regard to the services rendered and to the requirements of the services. I do not wish to prolong the discussion, but I humbly submit that there is no evidence in these Estimates of any due consideration by the Government of the special circumstances in which the country finds itself at the present time. I go so far as not to contradict the minister, but to say that I do not agree with him, and to declare that there are no circumstances which fully warrant this continued large expenditure under present conditions.

Contingencies, advertising, etc., $270,000.

Mr. ROCHE: There is a reduction of some $30,000 here below the Estimates last year.

Surveys, $776,300.

Mr. ROCHE: There is a reduction of $200,000 from the Estimate of last year.

Mr. OLIVER: Where are these surveys being made principally?

Mr. ROCHE: Surveys of base lines and initial meridians, three parties; sub-division surveys, sixteen parties; miscellaneous subdivision surveys in Manitoba, Saskatchewan and Alberta, one party; sub-division surveys in the railway belt of British Columbia, five parties; inspection surveys, six inspectors and one party for general business; retracement surveys in Manitoba, Alberta and Saskatchewan, two parties; retracement surveys of old initial meridians and base lines, one party; miscellaneous surveys by travelling parties, four parties; stadia surveys of lakes in western provinces, said to have dried up, eleven parties; survey of the Alberta and British Columbia boundary (one-third share), two parties; Yukon surveys. That is practically the subdivision of the work for the ensuing year.

Mr. OLIVER: In regard to this survey Estimate, the minister did not say just in what part of the country these surveys were being made. I shall not press that point. I wish to point out that the men employed on these survey parties are of necessity of the identical quality of physique, age and other requirements that make for eligibility for military service, and I cannot think that the Government is well advised in pushing the surveys unless those surveys are urgently required at such a time when it must be done at such cost in the employment of men who, as I have said, by their age and physique, are the men who are most eligible for military service.

If we are looking for more men for military service, we might very well restrict our endeavours in the matter of pushing surveys, particularly at a time when there is no very great pressure of settlement in any direction. The need for men who are physically fit for military service is, of course, great, and the men who are employed on the surveys are necessarily of that class. They cannot be serving in France and working on the surveys at the same time, and, looking at it from that standpoint alone, I submit that the Government are not well advised in pressing the surveys as strongly as they are doing just now.

Mr. ROCHE: I myself was of the opinion that it was not necessary to push the surveys as rapidly as heretofore, taking into consideration the war conditions. For that reason, during the past year, we cut down our expenditure by $200,000, and this year we are estimating an expenditure of $200,000 less than last year. There is, therefore, really a very great reduction in the expenditure. As for those who go out on the survey parties, instructions have been issued that whenever possible, returned soldiers be employed for that purpose. The Surveyor-General has pointed out to me the difficulty in getting many returned soldiers who are able to endure the hardships of the survey, but they are to be given the preference in every instance.

Mr. OLIVER: Is the amount that is being asked for equal to the amount expended last year?

Mr. ROCHE: Practically what was expended last year.

Mr. SINCLAIR: I have observed a good deal of discussion in the press about the amount of land available for returned soldiers; it has been questioned whether we have very much land suitable for that

purpose in the title of the country. I am quite sure that it would be interesting if the minister could tell us how many acres of arable land in the northwest and the prairie provinces are in the hands of the Government and available for homesteading.

Mr. ROCHE: Much the same information was asked for by the right hon. leader of the Opposition when I explained the soldiers' settlement plan as laid down in the resolution which I brought before the House, and I promised to have a map here when the resolution is again under consideration, showing the location of lands, within ten, fifteen or twenty miles of a railway, which are suitable for agriculture. A statement has been prepared as to the amount; I did not bring it with me to-night, but I promised to give the information as fully as possible when the soldiers' settlement resolution is again before the House.

Mr. OLIVER: What parties will be working in the Peace River country, and in what localities?

Mr. ROCHE: I do not think I have the detailed information here.

Mr. CARVELL: In a time like the present this seems to be an enormous sum of money to expend on the surveying of land which is not being settled. Putting it at $1,500 a man, which would probably be the maximum, you have 500 men employed in surveying western lands during the year. But during at least half the year these men could not be employed in surveying lands; therefore, you have an army of 1,000 men employed in surveying lands in western Canada during six months of the year. It seems a large amount of money to be expended—I was going to say thrown away, but I assume that these surveys may be of value some time in the future. To the man living in the eastern portion of Canada, however, the question arises why it should be necessary to expend this large amount of money when the public debt is mounting up by $200,000,000 or $300,000,000 a year. I think the minister ought to take us into his confidence and tell us how many parties and how many men are being employed and what they are doing.

Mr. ROCHE: The hon. gentleman is rather extravagant in his assertions when he says that we have 1,000 men employed on this work during the year. He must remember that surveyors are technical men, and draw a fairly good salary, particularly when out in the field.

[Mr. Sinclair.]

Mr. CARVELL: But many cooks and labouring men are employed in this work who do not draw big salaries.

Mr. ROCHE: The hon. gentleman knows, too, that aside from the expenditure for salaries, the outfit for work of this kind costs a considerable amount. There is a man in charge of each survey party; there is an assistant, and sometimes a second assistant. There are the chain men, so many in each party—ten men in one party, twelve in another. They have to go into the wilds; they have to be provisioned, and transportation costs something. We exercised due economy in cutting down the expenditure of last year by $200,000, and, as I have said, we mean to cut down the present appropriation by $200,000. It is essential that that part of the country particularly be opened up. The hon. member suggests that not many people are going in there. Well, I have word from the northern part of Alberta a short time ago that immigrants are going in there very rapidly from the United States. Some of them are going away disappointed because the lands are not at their disposal. I did not throw open any large blocks of land, pending the legislation with respect to land for returned soldiers, as it was my intention, wherever possible, to keep the lands that were close to transportation facilities for the returned soldiers. I have given information as to the number of parties that will be sent out, but I have not detailed information as to the parties going into any particular section.

Mr. CARVELL: How many parties did the minister say were going out?

Mr. ROCHE: In the surveys of base lines and initial meridians, two parties. Some of these parties consist of 8, 10 or 12 men. On subdivision surveys, 16 parties. A lot of our survey work is subdivision surveys, that is subdividing the townships. There are five parties working in subdivision surveys in the railway belt. As the work of those parties that are out has to be inspected, we have inspection surveys, and there are six inspectors and one party for general business. We have two parties engaged in retracement surveys in the wsetern provinces, and one party doing retracement survey work of the old initial meridians and base lines. There are four parties for miscellaneous surveys and eleven parties for stadia surveys of lakes reported to have dried up in the western provinces. Many

of the homesteaders who, when they secured patents for their lands had a certain quantity of water on them, have since found that the water has dried up and they apply to have the dried-up area added to their homesteads. This requires surveying and we had eleven parties out for that purpose. Then there are two parties engaged in surveys of the British Columbia-Alberta boundary line. That is done by the Governments of the two provinces and the Dominion Government, each bearing their share of the expense. There are three parties engaged in levelling. There are other expenditures in connection with the manufacture and storage of iron posts and bench marks, printing and stationery, lithographers' and printers' wages, freight, express and telegraph charges, purchase of instruments and canvas boats for use on the surveys. Then there are surveys unprovided for which may be urgently required during the season, carpenter for surveys laboratory and special surveys division. In the Outside service there are thirty-four office employees at $1.50 per day. All these expenses amount, in the aggregate, to a very large sum. I do not know exactly the number of those who will be engaged in survey work; I simply know the number of parties that will be engaged, and as the number of men employed on each party differs considerably, I cannot give the details.

Mr. CARVELL: The minister has answered the whole criticism. I took down rough notes of what he said, and, as I figure it out, there are 24 or 25 parties who are going over old work, retracing old lines, seeing how much water has receded and how much land can be reclaimed. The minister has in his employ 250 men whose salaries probably amount to $250,000, which is an absolutely unnecessary expense. The people in the western provinces can do just as we do in the eastern portion of Canada, where if two neighbours cannot agree upon their lines, they fight the matter out in the courts; they look after their surveys and pay their own bills. It is just as I thought; the minister, in my judgment, has answered the whole criticism. Here we have half a million dollars being thrown away.

Mr. ROCHE: The hon. member is comparing the little province of New Brunswick with the western provinces where we own land.

Mr. CARVELL: The province of New Brunswick will compare favourably with the western provinces, and if the minister will follow out in the western country the conditions that prevail in New Brunswick, he will do a great deal better than he is doing. The province of New Brunswick has done well in many ways.

Sir GEORGE FOSTER: That remark holds for the late Government.

Mr. OLIVER: Might I ask the minister to revert to the first item, "Salaries of the Outside Service?" I wish to ask a question in regard to a gentleman whose name was mentioned here last year or the year before. I refer to the gentleman who holds the position of superintendent of Jasper park and who, I believe, was appointed a colonel in the overseas forces. I wish to ask if this gentleman is still drawing salary as superintendent of Jasper park and if he is still drawing pay as a colonel in the overseas forces.

Mr. ROCHE: I can answer for my own department; I cannot answer for the Militia Department. He is not on the pay-list of the Interior Department.

Mr. OLIVER: Since what time has he ceased to be on that pay-list?

Mr. ROCHE: A short time—I do not know just how long after he returned from across the ocean, he was struck off the list. I may say that the request did not have to come from the head of the department. He asked to have his name struck off.

Mr. DOUGLAS: Is that policy being carried out generally throughout the department, of returned officers being struck off the Civil Service pay-list?

Mr. ROCHE: If they have a military duty assigned to them, of course they will be kept on the pay-list, but if they have nothing of a military character to do, they have either to return to their civil duties or be struck off the list.

Mr. DOUGLAS: In the case I had in view, the officer, on returning from the front, had military work assigned to him in the way of instructional work during the past summer; but under the present state of recruiting, there is not very much of that sort of work going on at the present time, and I understand he is still drawing military pay as well as civil pay. I understand the minister made it a policy that if a man returned from the front he ceased to draw civil pay even if he was on military duty in his country.

Mr. ROCHE: If we receive word from the military authorities that a man's services are absolutely necessary for the Militia Department, we keep him on the pay list. We do not strike him off the pay list if we get that assurance from the military authorities; we treat him just as we treat a soldier in Canada who has not yet proceeded overseas.

Mr. DOUGLAS: The difference in the case of the soldier in Canada is that he is just drawing from his department the difference in pay between his civil and his military pay, whereas, all soldiers enlisted prior to the 1st of November, 1915, are drawing full civil pay as well as full military pay. Does the minister intend to carry out that policy in its entirety of paying in full a soldier who enlisted prior to the 1st of November, 1915, whether he requires the money or not?

Mr. ROCHE: I am given to understand that we have very few in our department who are drawing full pay; that is, very few who have returned who had enlisted prior to the 1st of November, 1915, but in each instance we must get an assurance from the military authorities that a man's services are required by the Militia Department before we retain him on the pay roll of our department.

Mr. OLIVER: In regard to the late superintendent of Jasper park, has the minister not received an assurance from the military authorities that the gentleman is in military employment now? I understood the minister to say that he had no knowledge of the facts.

Mr. ROCHE: I did not say that I had no knowledge; I said that Colonel Maynard Rogers, who is the gentleman I presume the hon. member refers to—

Mr. OLIVER: Yes.

Mr. ROCHE: —was struck off the pay roll at his own request. My hon. friend would not ask me to keep that gentleman on the pay roll against his desire.

Mr. OLIVER: Certainly not. That much may be counted as merit to the Minister of the Interior, and if he would follow that policy from now on, he would acquire more merit in the eyes of the taxpayers of Canada. Has a permanent superintendent of Jasper park been appointed?

Mr. ROCHE: A temporary appointment has been made. The name of the appointee has escaped me for a moment, but the gentleman whom the hon. member has in mind has been appointed temporarily during Colonel Maynard Rogers' absence. Just the same as in the case of all civil servants who enlist, we make temporary appointments to fill their places. We are merely making a temporary appointment.

Mr. OLIVER: As Colonel Maynard Rogers' connection with the department has ceased, it would be in order, I presume, for a permanent appointment to be made.

Mr. ROCHE: Colonel Rogers is still in the employ of the Militia Department.

Mr. OLIVER: I understood the minister to say that when he was satisfied the Militia Department were continuing in their employ an official of the Interior Department who, under the terms of enlistment, was entitled to full salary in both departments, he was continued in both services. In the case of the superintendent of Jasper Park, although he is in military employ, his civil service has ceased. What I am asking is whether a permanent appointment is to be made. I am not asking out of mere curiosity. Summer is now approaching, and I am sure the minister will agree that it is desirable that whoever is to be permanently in charge of the park should be appointed now. If the gentleman who has been in charge for the last two years is to be appointed permanently it would be entirely in order for the appointment to be made now, and he would then be able to carry out his ideas in regard to the development of the park. I do not think it is well for the park, if the minister will pardon me for saying so, to be without a permanent superintendent.

Mr. ROCHE: When Colonel Rogers is released from his military duties he will be without a position, and it would appear to me to be a breach of faith to make a permanent appointment in his absence on military duty. He has been overseas and is now retained in the service of the Militia Department. He asked to be taken off the pay-list of the Interior Department, and when he went away we appointed Mr. Driscoll temporarily. He is from the hon. gentleman's own city of Edmonton, and has been acting superintendent of the park for two or three years. Mr. Driscoll quite understands that he was appointed temporarily. I am informed that he has done excellent work, and there is no uncertainty about following out development work as my hon. friend seems to

think. Mr. Driscoll is an excellent officer, and is doing very good work, and I am sure he will continue to do so until the time comes when Colonel Rogers will be released from his military position and resume his duties.

Mr. OLIVER: I am very, very sorry that it is not possible to place the park under permanent administration. If it is the intention to reappoint Colonel Rogers I think he should resume his civil duties without delay. I do not wish to be understood as offering any objection to Colonel Rogers' resuming his duties as superintendent of Jasper Park, but I want to urge that there should not be the uncertainty that has prevailed in regard to the administration of the park during the last couple of years. It should be thoroughly understood who is to be permanently in charge, so that he may develop the park along his own lines. The present temporary superintendent is, I believe, entirely satisfactory, but he certainly is handicapped in not having the assurance of being able to carry out any policy he may undertake. I think, in fairness to the development of the park, the minister should decide who is to be permanently in charge, and get him established there now, so that he can proceed to develop the park along his own lines.

Protection of timber in Manitoba, Saskatchewan, Alberta, the N.W.T., and the Railway Belt in B.C., tree culture in Manitoba, Saskatchewan, Alberta, and inspection and management of forest reserves, $650,000.

Mr. OLIVER: I think this is another case where the minister might have made a saving. I will not press the matter further than to emphasize what I have already said, that I consider this and other items in the Estimates entirely extravagant under present conditions. Would the minister tell me what is included under "tree culture in Manitoba, Saskatchewan and Alberta"? Is it tree culture on forest reserves or in connection with the Forestry Farm?

Mr. ROCHE: I have the following particulars:

Trees are supplied to farmers for planting on prairie farms in the provinces of Manitoba, Saskatchewan and Alberta. The species distributed are mainly Manitoba maple, elm, ash, cottonwood, Russian poplar and willow. Some spruce, tamarack and pine have also been distributed. The reports of the inspectors show that these plantations have a high average of success. There are two nurseries for this purpose. One was established at Indian Head in 1903, and one at Sutherland in 1912. The increased demand from farmers for trees made necessary the increase of accomodation for furnishing the supply. The new nursery is now supplying trees for distribution, and this supply will be largely increased in the next few years as this nursery develops. The number of trees distributed in the last two seasons is as follows: 3,861,000 trees were distributed in 1915 to 3,459 applicants, and 4,460,000 trees were distributed in 1916 to 5,072 applicants. The total number of trees distributed to date is 37,539,105. The number now ready for distribution in the spring of 1917 is 8,881,500.

Hon. gentlemen will see that the demand for the trees is increasing very largely, and I am sure we are all pleased to see that, because trees are beneficial in more ways than one in that prairie country. The new nursery at Sutherland is doing excellent work.

Mr. SINCLAIR: Are these trees for use on private lands?

Mr. ROCHE: They are distributed gratis to the farmers all through the western provinces, on demand.

Mr. SINCLAIR: Will the minister do the same for the eastern provinces?

Mr. ROCHE: These are Dominion lands.

Mr. SINCLAIR: Not after they are homesteaded or purchased.

Mr. ROCHE: In the hon. gentleman's province the lands and timber are owned by the provincial government, and I presume the provincial governments do similar work to what we are doing for the West.

Mr. SINCLAIR: I think the minister should draw a distinction between land owned by the province and land owned by the individual. The arable lands will all be under private ownership very soon. Why should not trees be given free to the other provinces?

Sir GEORGE FOSTER: These provinces are "treeless."

Mr. ROCHE: And probably the supply of trees would not be suitable to the other provinces.

Mr. TURRIFF: What does this branch of the work cost?

Mr. ROCHE: The amount estimated for this year is $58,000, and the amount for last year was $67,030.

Mr. OLIVER: What proportion of the balance of this vote is required for the administration of the forest reserves as compared with the proportion for the protection of timber not included in forest reserves?

Mr. ROCHE: For forest reserves we have an item of $299,000, and for fire-ranging $193,000. The total for forest reserve, fire-ranging, and the forest products laboratory is $650,000.

Mr. OLIVER: My information is that there is an entirely unreasonable proportion of expenditure on the so-called forest reserves as compared with that for the protection of timbers not included in forest reserves. The Government has been very liberal in including large areas in forest reserves. These areas are forested to a certain extent, of course, but in a country that is all forested it seems to be hardly necessary that areas should be specially reserved, especially when they are made a preserve rather for the maintenance of friends of the Government in the guise of protectors of public property than to serve any particularly useful purpose. The forest reserves, in my humble judgment, are unnecessarily large, and there is excessive expenditure in the so-called protective service within those reserves.

Mr. ROCHE: Of course, an area is first surveyed and temporarily set aside before being included in the forest reserve by legislation. The hon gentleman (Mr. Oliver) knows that there has been great destruction of timber in that country—as has been the case in the East also—by fire. Land that on inspection is ascertained to be not suitable for agriculture is included in the forest reserves and comes under the charge of the officials, part of whose duties is to protect the forest from fire. It would not be right to have homesteaders go upon land from which they could not make a living. The hon. gentleman (Mr. Oliver), as minister, had experience, as I have had, with so-called settlers who have no intention of living on the land after it is cleared, but who simply squat and, when the timber is gone, vacate the holding. Of course, there are some areas included in forest reserves that are timbered lightly or not at all, but these lands are suitable for reforestation and are not suitable for agriculture.

Mr. DOUGLAS: Who is in charge of the Cooking Lake forest reserve?

Mr. ROCHE: Mr. Bailey.

Mr. TURRIFF: How many officials are employed in connection with the Moose Mountain reserve? I was there two months ago and heard a good many complaints of the amount the officials were charging settlers for firewood.

Mr. ROCHE: The amount charged for firewood is fixed by regulation, and I do not think more is charged on the Moose Mountain reserve than on any other.

Mr. TURRIFF: I heard of a couple of cases in which men were charged $2.50 when they got their permits. I do not know whether this was for the permit alone, or whether it covered a certain amount of wood. How many officials are employed there?

Mr. ROCHE: Two permanaent and one temporary. Mr. White is in charge.

Mr. SINCLAIR: How many officials are employed in the forest reserves altogether?

Mr. ROCHE: The number employed in all reserves is 181.

Mr. TURRIFF: Does that include the forest rangers and timber inspectors?

Mr. ROCHE: Yes.

Mr. TURRIFF: The hon. gentleman has not told me how much he paid the men on Moose Mountain reserve?

Mr. ROCHE: The man in charge gets $100 a month, and the others $75 a month.

Mr. OLIVER: How many fire-rangers, inspectors and other protectors of timber are employed on the Swan Hills forest reserve, and how many on the Martin Mountain forest reserve?

Mr. ROCHE: These two are included in the reserve called the Lesser Slave lake reserve. There are two permanent and six temporaries.

Mr. TURRIFF: Would the minister say why the salaries for part of the outside service are put under the heading of "Salaries of the Outside Service $465,000 " and a lot more of the salaries put in the item we are now discussing under " Protection of Timber in Manitoba?" Why are they not altogether so that we would have some idea of what these salaries amount to?

Mr. ROCHE: The first item is for Dominion Lands, while the other is separate and has no connection with it.

Mr. TURRIFF: They are all under Dominion Lands.

Mr. ROCHE: They are sub-divided. The timber inspectors are included in the Dominion Lands vote but the forestry officials are not.

Mr. TURRIFF: I would suggest that it would be better to put them all together

and then we would know what we are paying for salaries in connection with this branch.

Mr. SINCLAIR: There is a matter that the minister promised he would furnish information about some few days ago. When we were discussing some appointments made under section 21 of the Civil Service Act, by referring to the return which was laid on the Table of the House, it appeared that 82 civil servants were employed under the provisions of section 21 after competition and that 159 were employed under the provisions of that section by the present Administration without competition. In looking over the items I find that in the inside service, Department of the Interior, 15 civil servants have been employed by the present Administration after competitive examination and 11 without competitive examination. At the time this question was up and when the vote for the inside service of the Department of the Interior was being passed, I asked the minister if he would furnish the House with the names, post office addresses, ages, and present duties and salaries of those civil servants who were employed in his department under the provisions of that section, and he was good enough to say that when his estimates were before the House again he would furnish the information.

Mr. ROCHE: I understood that these questions were asked by way of a return. The hon. gentleman moved for a return?

Mr. SINCLAIR: No.

Mr. ROCHE: I think I have the information with pretty nearly all the detail that the hon. gentleman asked for. I have the names of quite a large number of those who have been appointed to the inside service under section 21. The statement is as follows:

DEPARTMENT OF THE INTERIOR.

Statement showing Officials appointed permanently to the inside Service under the provisions of Section 21 of the Civil Service Amendment Act, 1908, as requested by Mr. J. H. Sinclair, when Civil Government Estimates were discussed on April 20th, 1917.

APPOINTMENTS BY COMPETITION.

Name.	Date of Appointment.	Branch.	Former Employment or Qualifications.	Present Duties.	Present Salary.	Remarks.
					$	
Roe, Bertie James..	July 25, 1910..	Topo. Surveys	Passed special examination for clerkship in 2B.	.....	1,300	Active Mil. Service.
Howie, James.....	Jan. 9, 1911..	"	Formerly with John Bartholomew, Edinburgh, Scot.	Map draughtsman.	1,300	
Purdy, W. A.....	" 16, 1911..	"	Formerly with E. Stanford, Ltd., London, Eng.	Map draughtsman.	1,750	
Brigly, J. H.....	Feb. 13, 1911..	"	For ten years with War Office, England.	.....	.....	Deceased, 12th Mar. 1914.
Firth, W. G.....	Aug. 31, 1911..	Railway Lands	Draughtsman, six years with J. G. Bartholomew, Edinburgh.	.....	.....	Resigned, 27th Aug., 1912.
Jordan, E. E.....	Sept. 6, 1911..	Observatory..	M. A. Asst. Computer.....	.....	.....	Resigned, 26th Aug. 1912.
Smith, H. C.....	" 25, 1911..	Topo. Surveys	Map draughtsman.....	.....	.....	Resigned, 10th Aug., 1912.
Nevins, L. A.....	Oct. 1, 1911..	"	B.A. Ottawa, University..	Draughtsman	1,450	
McDonnell, J.....	Jan. 4, 1912..	Observatory..	M.A. Asst. Computer.....	.....	1,350	Active Mil. Service.
Thomson, A. R.....	June 28, 1912..	Railway Lands	Six years with J. G. Bartholomew, Edinburgh, Scot.	Photo. Litho. draughtsman.	1,400	
Lemay, Arthur.....	Oct. 24, 1912..	Topo. Surveys	Accountant, Wholesale Store.	.....	.....	Transferred to Inland Rev. Department.
Petrie, John.....	Mar. 6, 1913..	Railway Lands	Eight years with W. & A. K. Johnstone, Ltd. One year with Stone Ltd., Toronto.	Photo. Litho draughtsman.	1,400	
Sullivan, Arthur....	April 10, 1913..	"	Nine years with J. G. Bartholomew.	Photo. Litho. draughtsman.	1,350	
Collins, G. H. A....	Mar. 20, 1914..	Topo. Surveys	Photographer.....	Photographer.	1,050	
Birchall, W. A.....	April 1, 1914..	"	With E. Stanford, Ltd., London.	Map draughtsman.	1,350	
Hull, C. W.....	" 1, 1914..	Railway Lands	Civil Engineer.....	Draughtsman	1,250	Active Mil. Service.
Hall, James.....	July 1, 1914..	Topo. Surveys	With A. K. Johnstone, Ltd., Edinburgh.	"	1,300	
Brace, Wm.....	April 1, 1914..	Land Patents.	Civil Engineer.....	"	1,250	

DEPARTMENT OF THE INTERIOR—*Concluded.*

Statement showing officials appointed permanently to the Inside Service under the provisions of Section 21 of the Civil Service Amendment Act 1908, &c.—*Con*

APPOINTMENT BY COMPETITION—*Con.*

Name.	Date of Appointment.	Branch.	Former Employment or Qualifications.	Present Duties.	Present Salary.	Remarks.
					$	
Field, R. H.....	Oct. 1, 1914..	Topo. Surveys	First Class Cert. in Civil Engineering, University of Liverpool.	Draughtsman	1,300	
McKeever, Chas....	" 27, 1914..	Geographer's.	Six years Crown Litho. Co. Eight years Federal Press.	"	1,300	
Lighfoot, D.C.....	Nov. 5, 1914..	Geographer's.	11 years W. & A. K. Johnstone, Edinburgh, Scotland.	Draughtsman	1,300	
Allan, N. T.....	Nov. 12, 1914..	Water Power .	8½ years J. Bartholomew Co.	Draughtsman	1,400	
Douglas, A. G.....	May 12, 1915..	Water Power.	3 years City Edingburgh, Scot. 3 years C.P.R.	Draughtsman	1,350	
APPOINTMENTS BY NOMINATION.						
Herriot, G. H.....	June 29, 1909..	Topo. Survey	sB. Sc. Queens & Asst. Lecturer.	.....	.....	Resigned, 14th Oct. 1909.
Cote, Aurele.....	"	"	Graduate R.M.C. Kingston. D.L.S.	Secreatry Board of Ex.	1,900	
Chartrand, Emile...	"	"	B. Sc. Queens Unic.....	.....	.....	Resigned, 2nd April, 1914.
Dozois, L. O. R....	"	"	Graduate R.M.C. Kingston.	.....	.....	Resigned, 2nd June, 1913.
Cousineau, Aime....	Aug. 10, 1909..	"	B.A.Sc., Ecole Polytechnique, Laval University, Montreal.	.....	.....	Retired, 28th Oct., 1914.
Jones, G. S.....	April 14, 1910..	"	(Ontario Land Surveyor) (Dominion Land Surveyor).	Draughtsman	1,300	
Cagnat, Georges....	" ..	"	Civil Engineer.....	.....	.....	Resigned, dismissed, 10th July, 1912.
Hoar, C. M.....	" ..	" ..	B. Sc. University of N.B.	.....	.....	Resigned, 1st June, 1911.
Blanchard, J. F.....	" ..	" ..	Asst. Engineer, Dept. of Railways and Canals.	.....	.....	Deceased, 13th July, 1916.
Blanchet, Denis.....	Aug. 4, 1910..	Land Patents.	Advocate, Province of Quebec.	Regr. N.W.T.	1,100	
Linnell, A.....	Nov. 19, 1910..	Geographer's.	7 years as Municipal Engr.	Draughtsman	1,600	
Parry, Harry.....	Feb. 11, 1911–	Topo Surveys.	Grad. Civil Engineer of Liverpool University.	"	1,700	
Watt, G. H.....	May 29, 1911	" .	Grad. School Practical Science, Toronto & D.L. Surveyor.	Technical clerk.	2,1 0	
McDiarmid, R. J...	July 10, 1911..	Observatory..	B.A. Toronto University, M. Sc. Pittsburgh University.	Observer.....	1,550	
Smith, L. G.....	Oct. 14, 1911..	Topo. Surveys	Photographer, 6 yrs. with War Office, London, Eng.	.....	.....	Now in Militia Department.
Hubbell, Ernest W.	Oct. 3, 1911..	" ..	Inspector D.L. Surveys..	Chief Inspr. Surveys.	2,800	
Arbogast, E. C.....	Sept. 27, 1912..	Observatory..	M. A. Toronto University.	Observer.....	1,350	
Heney, A. E.....	Nov. 15, 1912..	Stationery....	Over 15 yrs. Corp. of City of Ottawa.	.....	.....	Deceased, 20th April, 1915.
Daly, K. R....,...	Nov. 2, 1912..	Asst. Law Clerk.	Lawyer.....	Assistant Law Clerk.	2,200	
Gooday, S. H.....	Mar. 1, 1913..	Geographer's.	7 yrs. with E. Stanford, London, England.	Map draughtsman.	1,400	
Lacroix, Alfred.....	" ..	" .	7 yrs. Mortimer Co., Ottawa.	Map draughtsman.	1,400	
Fredette, J. F.....	April 26, 1913..	Topo. Surveys	Passed full Preliminary Dominion Land Surveyor.	.....	.....	Resigned, 18th May, 1914.
Young, R. K.....	Aug. 1, 1913..	Observatory..	B.A. Toronto University, Ph.D. California University.	Observer.....	1,450	
Lawrence, John.....	Sept. 1, 1913..	Topo. Surveys	B. Sc. Gladstone University.	.....	.....	Transferred to Department of Africulture, 10th July, 1914.
Owen, E. R.....	Sept. 5, 1913..	" .	Formerly with A. W. Penrose, & Co., London, England.	Photographer	900	
Lawler, James.....	Jan. 7, 1915..	Forestry.....	Secr. Can. For. Association.	Forestry Clerk.	1,300	
Douglas, Robert....	Oct. 1, 1916..	Topo. Surveys	M.A. Edinburgh University.	Sec. Geog'r Board.	1,800	
White, M. S.....	" ..	Dom. Lands.	Expert at translation of foreign languages.	Translator....	1,300	

Mr. SINCLAIR: Will the minister say why he resorted to the terms of section 21 in order to appoint men whose salaries were $1,000, $1,200 and $1,300 without competitive examination and why they were not appointed in the regular way under the Civil Service Act?

Mr. ROCHE: Some were above the age. As the hon. gentleman knows, section 14 of the Civil Service Act provides that a person to be appointed under the Act must be less than thirty-five years of age. If he is over thirty-five he cannot be appointed, but if he is a technical man the Civil Service Commission will issue a certificate in the case of a man who is over thirty-five. There is another provision of the Civil Service Act that a man should be in the country three years before appointment. Some of these men came from the old country. They were Edinburgh and Glasgow University men and they had not been in the country three years at the time of their appointment. That is the only way they could be appointed under section 21. All these are technical men although their salaries are not very large. They satisfied the Civil Service Commission that they were perfectly qualified and that was the only way in which they could be appointed to their respective positions.

Mr. TURRIFF: I should like to know from the minister the policy of the department. I am quite well aware that where an official joins the army he draws his civil salary and also his military salary in full if he enlisted prior to the 1st of November, 1915. I have no objection to make in the case of a man who goes to the front and fights for his country, but I would like to know if it is the policy of the department to continue paying these civil servants who joined the army prior to the 1st of November, 1915, where they are simply appointed to clerkships in Ottawa or in England and do not go near the front, who take no more risk than they did up in the civil service offices on the hill?

Mr. ROCHE: It is not the policy of this department to have men who joined prior to the 1st of November, 1915, but had not crossed the ocean, continue to receive their full salary. I do not think we have a single instance of that nature. We had one case of a man whose services were especially asked for by the Department of Militia. He was doing some particular work at Halifax, and we were asked to allow the Militia Department to retain him on their pay list. We have since ascertained that his services were not as essential as they had been, so, at our request, he has returned to his civil duties.

Mr. TURRIFF: That answer is quite satisfactory. Is the same rule followed by all the departments of Government? Perhaps the Minister of Trade and Commerce (Sir George Foster), who is leading the House, may be able to answer that question.

Sir GEORGE FOSTER: I am sorry to say I was talking with my friend when the subject matter was brought up. I think my hon. friend knows pretty well what is done.

Mr. ROCHE: I have heard that this was the policy generally. Whether there are any exceptions to it or not, I do not know, but I think the policy I have adopted in my department is the policy that is universal throughout the service. There may be some individual cases that I am not aware of.

Mr. OLIVER: The minister told the committee just a few minutes ago the superintendent of Jasper park was drawing his salary from the department, although his military duties were entirely confined to this side of the water; and the minister gave us to understand that he would have continued to draw his salary as superintendent of Jasper park, and would, in fact, be drawing it to-day, although his military services are entirely on this side of the water, if he had not himself requested to be taken off the pay list. Therefore in that instance the minister's policy was to pay the full salary when the duties were on this side of the water and did not involve service at the front.

Mr. ROCHE: The difference is that Colonel Maynard Rogers did go across the ocean; he did not remain in Canada. It was only after he returned to Canada that he was struck off the pay roll. He enlisted prior to November 1, 1915, and was in the enjoyment of his full salary. He went across the ocean and was paid full salary until after he came back, and he was still retained in the Militia Department; but he voluntarily came and asked to be stricken off the pay roll and we did not want to keep him on when he did not desire to be retained. We would not have kept him on the roll if we had not been especially informed by the Militia Department that his services were required.

Mr. OLIVER: That puts the thing differently. The minister gave us to understand

a few minutes ago that Colonel Rogers was removed from the pay roll at his own request, and not as a matter of policy of the Interior Department.

Mr. ROCHE: I did not say the latter, I said at his own request.

Mr. OLIVER: The minister gave the committee to understand that had he not requested to be taken off the pay roll he would still have been on the pay roll. That was the impression conveyed to my mind, and I think to the House. As to his having crossed the ocean, while he did cross the ocean, I am not aware that he ever rendered any active military service; but, in any case, the point is that he is not rendering any active military service now, and that is the condition mentioned by my hon. friend from Assiniboia (Mr. Turriff).

Mr. TURRIFF: I think the minister put too limited an interpretation on my question. My question was with respect to civil servants who were working either on this side of the water or as clerks in the paymaster's and similar offices in England, the men who never went to the firing line, who took no more risk whether in England or in Canada than if they had remained in their offices on the hill. I shall not press for an answer to-night, but I should like to know if those men who enlisted prior to November 1, 1915, and have been employed in clerical positions in England or in Canada, are receiving two salaries. I think it is absurd that a man drawing a big, fat salary should serve in the Department of Militia or in England as a clerk and draw two large salaries at the expense of the people. I would like a clear, definite answer as to the policy of the Government in that matter.

Sir GEORGE FOSTER: Before November 1, 1915, the man who enlisted did so on the understanding that he should enjoy both salaries. Would my hon. friend say that because when he went overseas he was found to be more useful or necessary in the clerical part of the militia work, we should violate the condition upon which he enlisted? To the man who enlisted after the date mentioned, that condition not being part of the contract, so to speak, the double pay would not be given. The question rests a good deal upon whether or not the man enlisted upon the condition that he should get both salaries.

Mr. TURRIFF: When the man enlisted he was supposed to go to the front and fight for his country, but in hundreds of cases, through influence and political pull, men have secured appointments to clerical positions, say, in England, and have been there ever since the war started. Those who do that are not carrying out the agreement that was made, because they enlisted to go to the front and they have not done so. They are drawing two fat salaries, without taking any risk whatever, whereas the man who enlisted later, goes to the front and risks his life, gets only $1.10 a day.

Mr. ROCHE: In many cases we do not know what work these men are doing after they cross the ocean. We are not in a position to know who is and who is not doing clerical work in England. Besides, I believe that the policy over there is to appoint to such positions men who have been at the front and who have returned wounded or invalided, thus allowing men physically fit for military duty to go to the front. I agree with my hon. friend who is leading the House that we made an agreement with these men who enlisted prior to the date mentioned, and it would be rather a breach of contract were we now, simply because they were detained in London to perform certain work, to strike them off the list and not pay them according to the arrangement made.

Mr. TURRIEF: A man drawing $2,000 a year in Canada gets a commission, goes to the old country and through influence secures a position there, where he is absolutely safe from any danger except mere chance of a bomb falling from a Zeppelin. He draws $3,000 or $4,000 for work that can be done just as well by the man getting $1.10 a day. I ask the minister if he thinks that is fair.

Mr. ROCHE: I do not think that there are such cases; I have not heard of any.

Mr. TURRIFF: I have heard of a great many.

Mr. SINCLAIR: The question is, is he on active service? If I understand the militia rule, he enlisted for active service, and if he is employed as a clerk in an office in London, I do not think it can be said that he is on active service.

Sir GEORGE FOSTER: He enlisted for overseas service.

Mr. SINCLAIR: The evidence that there are a great many men in that position is found in the statement of the ex-Minister of Militia, who tells us that he was able

to run the London office with 30 employees, but that since the matter was taken out of his hands over 600 employees have been required, costing the country an enormous sum of money each year. I assume that most of those employees are soldiers of the kind mentioned—Canadian adventurers, who, professing to go to the front, found their way into the London office. If we can believe the statement made by the ex-Minister of Militia, this is a matter of great importance. The principle cannot be laid down that these men are employed on active service, when they are simply doing clerical work in a London office, and a man doing that kind of work is not, under the contract that was made with him, entitled to two salaries.

Sir GEORGE FOSTER: I had the idea, before I went to London, that our Records Office was costing us a very large amount of money, and I think I expressed that sentiment. When I was there I made it my business to go through those offices, and I do not care who states that the clerical work there can be done by 30, 40 or 50 men, I say that it is absolutely impossible. A complete record has to be kept of the men that we have at the front and in different parts of England, of their pay and of all other details; their transfer from one regiment or from one division to another—everything has to be taken cognizance of and becomes a matter of record. I went through room after room; I examined their books and saw their methods of doing things, and I came away with the impression that these men were busily engaged at a necessary work. The army must be looked upon as a whole. You must have good subsidiary officers and workers as well as good fighters. The man who enlists for overseas service enlists for whatever service the army officers and authorities consider that he is best fitted for. Men are brought back from the front because of their special ability to perform what we call clerical work, but what is so important and affects so vitally the well-being of the army that the very best men are required. I should be very sorry to have the impression going out that we are employing thousands of men over there where 30, 40 or 50 could do the work. I do not think that would be a right impression to go to the country. This much I do know: that of late the offices have been combed out over and over again in order that every man who can be spared from that absolutely necessary work may go to the front and take his part of the burden of active warfare, in his place those that have had their turn at the front and have had the casualties, are brought in to do the work. The impression that exists now that there are so many able bodied men who have never gone to the front, who do not want to go to the front and yet who are able enough to go to the front, but that are kept in London through favour or anything else—that impression is a wrong one.

Mr. SINCLAIR: The impression did not originate on this side; it originated with my right hon. friend's colleague who made the positive statement. Perhaps if my right hon. friend knows that that statement is not true he will tell us just how many men he has employed in the London office and how many of those men are soldiers who have volunteered for active service at the front. We do not know; we are going only on the statement made by the ex-minister, a gentleman who had the information and who ought to know. If there is any man in Canada who ought to know these facts, it is the ex-Minister of Militia.

Sir GEORGE FOSTER: I have not seen that statement.

Mr. SINCLAIR: If the minister will look at the ex-minister's statement, he will find that the ex-minister had made that statement.

Sir GEORGE FOSTER: I would not be inclined to think that he had made that statement.

Mr. SINCLAIR: I have no doubt he made the statement that, in an office where there were formerly thirty men—and he gave the name of the man in charge of the office—now, under the influence of the Minister of Finance and the management of the Minister of Militia Overseas, the number had grown to over 600, costing the country $6,000,000 a year. That is not my statement, it is the statement of the ex-minister. I do not know whether it is true or not.

Sir GEORGE FOSTER: I have not seen that statement.

Mr. SINCLAIR: It has also been stated publicly that no less than 45,000 or 50,000 men who have gone overseas, were not able to go to the front because they were medically unfit. If any of those men who were medically unfit have found their way into the offices in London, I think their doing so would disqualify them from getting the double pay. It is for the Government to clear up the statements of the ex-Minister

of Militia and not we on this side of the House.

Mr. OLIVER: The question is not how much work is required in the offices in London; it is whether the men whom we are paying here in this Dominion of Canada for the services they are rendering us, are drawing pay for other services that they are rendering and that are not the services we understood or expected they would render when we made the bargain with them. There is no question at all that this Government did not make a bargain with its officials that it would give them double pay for the purpose of enabling them to do clerical work in London. There is no doubt but what my hon. friend from Assiniboia (Mr. Turriff) has said is the absolute root and basis of the understanding that these men were going forward to risk their lives for the welfare of their country, and that it was because of that consideration alone that they were given this extra remuneration. If for any reason, whether on account of their own fault or that of anyone else, they have not fulfilled that condition, this country has no right to give them double pay, and when we are giving them double pay, we are doing an injustice to ourselves and to those who are honestly trying to serve their country. It may be true that these men are good men in the clerical offices in London, but there are others just as good men who are able to do clerical work; and if they are able to do clerical work and not able to go to the front, then their place is here and not in London, that is, if we have need of their services in our departments. They should be either here or at the front if they are drawing double pay. If they are not able to go to the front, then they should be drawing only single pay and they should be here if they are going to draw pay from us for the services they are rendering us. We cannot undertake to provide for the exigencies of our Civil Service here and also for the exigencies of a Civil Service over in England. The latter is a matter that can be attended to by itself. Our business here is to see that the work of the Civil Service is attended to and to pay for that civil service, and if we have made extra bargains with some of our civil servants in regard to military services, when they fulfill the necessary conditions, they are entitled to the extra consideration we promise them, but if they do not fulfill those conditions, they are not entitled to that extra consideration. I for one call upon this Government to take measures to see that only those men who fulfill the condition upon which they were promised that extra pay, receive that extra pay, and to see that those who do not fulfill that condition do not get that extra pay. I have already mentioned here to-day the case of a gentleman drawing $2,400 a year as superintendent of Jasper Park, who takes a position as colonel in the overseas forces, goes to England and draws pay as an overseas colonel, but who never does a day's duty at the front, never renders any valuable service to the military authorities, and who comes back to Canada and still draws that double pay.

Mr. ROCHE: Is the hon. gentleman quite right in stating that he did not render valuable military services?

Mr. OLIVER: I am quite right.

Mr. ROCHE: What work was he doing?

Mr. OLIVER: I do not care to bring it up here in the House, but he was like a great many more so-called military men, who went over to England, who had neither right nor reason to be called military men and who did not render good service. This man comes back to Canada and still draws double pay although on the evidence he was not considered fit for military service at the front. If such a prominent case can occur, we can easily believe that hundreds of such cases have occurred, and we call upon the Government not to defend that condition, but to take measures to see that that condition does not exist because it is absolutely a breach of faith with the people of this country.

Mr. ROCHE: It is only right that I should make this statement in regard to the gentleman whom the hon. member is criticising. I remember, after the hon. gentleman discussed this question last session, having taken the matter up with the military authorities, and the information received was that Colonel Maynard Rogers had rendered very valuable military service in England in that, as I understand, he was engaged in training troops in some of the large camps. The report from the Militia Department was that he had rendered splendid service. It is only right that I should make that statement in justice to the gentleman.

Mr. CARVELL: The minister would not expect any other kind of report from the Militia Department.

Mr. ROCHE: In regard to other men going overseas and doing clerical work, I understand that the paymaster of a battalion does not go to the firing line, yet we pay him double pay if he goes over with his battalion. Does the hon. gentleman think that because a paymaster is doing some clerical work or looking after the financing of his battalion and not engaged in the firing line, he should not be paid his full civil pay if he enlisted prior to the first of November, 1915?

Mr. OLIVER: Is the paymaster of a battalion in France resident in England?

Sir GEORGE FOSTER: Why does the hon. member differentiate between England and France if soldiers are not engaged in the firing line?

Mr. OLIVER: A paymaster is with his battalion; it does not matter whether he is at the firing line or not; he is on active service. I am very sorry to find that the leader of the House and the Minister of the Interior take the attitude to-day of defending a condition that is absolutely indefensible, defending an absolute breach of faith with the people of this country. I am very much surprised that they should take that attitude.

Sir GEORGE FOSTER: My hon. friend need not expend any of his sorrow on me with reference to that. The position I take is simply this: In respect to those men who under certain conditions enlisted to go overseas for such service as was required and who have fulfilled these conditions, there is an obligation upon us to fill our part of the bargain. The difference between my hon. friend and myself is, I suppose, this: he says that the condition of their enlistment before that date was that they should go to the firing line.

Mr. OLIVER: No, pardon me.

Sir GEORGE FOSTER: That they should go into active service, then.

Mr. OLIVER: Our undertaking to continue their pay was on the understanding they were risking their lives in our behalf.

Sir GEORGE FOSTER: I do not know that they entered into a contract to risk their lives. They entered into a contract in this way: they enlisted for active service overseas, whatever that service might be. I do not think there was anything in the contract that they were to risk their lives in going over. Whatever was the duty which was assigned to the man who enlisted for overseas, that was the duty he was to perform, and if he performed that duty under the conditions laid down before November 15, he was to receive his full pay. If we were to set out anew and the question was brought up as to whether men should receive double pay who were simply doing clerical work in London, I would not hesitate for a single moment to say that it was the man who went right into the trenches that should get the double pay.

To pay expenses connected with Water Power investigation and reports in Manitoba, Saskatchewan, Alberta and the Railway Belt in B.C., $159,000.

Mr. OLIVER: This is a time when there is certainly very little likelihood of important investments in the development of water power. It seems to me this is another item in the Estimates of the Interior Department that might very well be eliminated or very greatly reduced under present conditions. If we are pursuing a policy of saving with a view to meeting our enormous war obligations, I think it is only right that I should take the responsibility of pointing out all those instances where it seems to me the Government have fallen very far short of their full duty.

For surveys and works under the Irrigation Act, etc., including $400 for P. Marchand as auditor of disbursements made by companies acquiring lands under the Irrigation System, $174,000.

Mr. OLIVER: What is the nature of this expenditure?

Mr. ROCHE: The following are the particulars:

For the fiscal year 1916-1917, the estimate was reduced by $68,350, or 25 per cent, while the estimate now submitted shows a further reduction of $26,000 or 13 per cent; the present estimate is thus 35 per cent less than the appropriation for the year 1915-16. The sum asked for will provide for carrying on only that work that is considered absolutely essential, including:

1. The maintenance of the permanent office and field staff at Ottawa and Calgary. The reduction in appropriation will necessitate the discharge of several present members of the staff and the rearrangement of the work so as to provide for its efficient conduct with fewer men.

2. The inspection of existing and proposed irrigation and water supply projects. Such inspections are required by law to determine the feasibility of proposed projects and to ascertain whether or not those who have been authorized to construct works are proceeding with due diligence and whether licenses are utilizing, or are in a position to utilize, the water to which they are entitled by license. A considerable saving will be effected by combining in certain districts the duties of

stream measurements and irrigation inspections. This is an innovation, but it is believed that these duties can be combined without loss of efficiency.

3. The continuation of hydrometric or stream measurement work. The determination of the quantity of water available in the streams of the prairie provinces is the basis of all irrigation and water supply development and is absolutely essential to the proper administration of the Irrigation Act. Stream measurements must be carried on continuously for a long period of years in order to be of real value, and any interruption seriously affects the value of the records. This work has been carried on systematically since 1908 and has been gradually extended so as to cover practically all streams in the southern part of the Provinces of Alberta and Saskatchewan and the principal streams in the north. Regular measurements are made of the flow of all streams during the summer, or open water period, and after the winter freeze-up the districts are re-arranged and the flow of the principal streams is measured under ice conditions throughout the winter months. The department has frequently been urged to extend the scope of this work and it is believed that the public interest warrants its continuation and expense in spite of the necessity for the strictest economy. The plans for the coming year do not provide for any expansion of the work, but on the contrary some stations are to be temporarily abandoned and the work will be so arranged as to effect a considerable saving without materially affecting the efficiency of the service.

4. The continuation of experimental work to determine the proper "duty of water," and to demonstrate the benefits of irrigated farming. This experimental work has not yet been carried on for a long enough period to yield definite or reliable data upon which to base any revision of the "duty of water." The existing duty is acknowledged to be too low and should be raised, but it is believed to be unwise to attempt revision without reliable data obtained under Canadian conditions of soil and climate. For this reason our experimental work should be continued.

5. The continuation of the work of soil analysis in order to determine the suitability of certain soils for irrigated agriculture. This work has now been carried on for several years in collaboration with the Dominion chemist of the Department of Agriculture. It was begun, primarily for the purpose of excluding from irrigation projects areas so strongly impregnated with alkali as to render them unfit for cultivation, but it has been found necessary to extend the scope of the work to include a systematic study of the changes in soils due to the continued practice of irrigation, so as to determine what crops may be most profitably grown and how certain soils may be treated so as to preserve their fertility and prevent their becoming waterlogged and sour. In general, it may be said that no new work is being undertaken. The scope of permanent work is being somewhat restricted and so arranged as to effect a considerable saving. Very few salary increases have been provided for, and these only in exceptionally deserving cases (six in all). No general salary increases have been granted since the outbreak of the war.

[Mr. Roche.]

Mr. OLIVER: Are any of the private schemes mentioned in the memorandum under construction at the present time?

Mr. ROCHE: I have not that information, but I could get it for the next sitting.

Mr. OLIVER: As regards private applications for the use of water and the establishment of irrigation systems, I quite agree that the expenditure is necessary, whatever it may be, but a great deal of the work mentioned in the memorandum is something that I think could be postponed for a time at any rate. That is something that can be postponed for a time at any rate. I wish to know what is the really necessary work of development in that country. I fancy it could be paid for with a small proportion of the vote.

Mr. ROCHE: We have a trained staff, and it would not do to disband that staff. We must keep them at work. Last year the hon. member for Medicine Hat (Mr. Buchanan) strongly urged us, notwithstanding our declaration for economy, to extend this work considerably in connection with some projects for irrigation in his district.

Mr. OLIVER: I have nothing to say against expenditure for actual irrigation work, but I wanted to know what amount was required for that.

Mr. TURRIFF: How much land was granted last year under the Irrigation Act?

Mr. ROCHE: I think a return was asked for on that subject, and that it was brought down. But I do not recollect the figures.

Canadian National Parks, $300,000.

Mr. ROCHE: This is a reduction of $49,670 from last year.

Mr. OLIVER: About what amount is appropriated for Jasper Park?

Mr. ROCHE: Fifty-four thousand dollars.

Mr. OLIVER: What are the items of expenditure?

Mr. ROCHE: Fire and game protection, fire-fighting, maintenance of roads and trails, new buildings—

Mr. OLIVER: What new buildings?

Mr. ROCHE: This is not a large item, it is for stables.

Mr. DOUGLAS: Are there any revenues from the park?

Mr. ROCHE: Of course the principal return from our national parks is the tourist

trade. I quoted figures last year showing, as I recollect them, that about 100,000 tourists had visited the national parks last year. This traffic, of course, brings in a great deal of money. Our parks are very attractive and advertise Canada everywhere. They are becoming very well known in the United States. Since the outbreak of the war in Europe many American tourists are coming to Canada.

Mr. OLIVER: Has the department considered what effect it will have on the tourist traffic to have the rails of the Grand Trunk Pacific to Jasper Park taken up and shipped away?

Mr. ROCHE: I do not know from what portion of the road the rails have been taken. I understand that the Canadian Northern and the Grand Trunk Pacific run side by side for miles, two lines where one would serve all purposes.

Mr. OLIVER: The beautiful scenery of Jasper Park, of course, is a great attraction. But tourists do not live on scenery; they have to eat and they have to sleep. In order to have a successful tourist traffic there must be accommodation for the tourists, and up to the present time the hotel accommodation for tourists in Jasper Park has been very limited and inadequate. I am given to understand that one reason has been that the departmental authorities set a standard of hotel buildings that the business does not warrant. I quite agree that proper buildings should be erected in the park, but until business is established judgment must be exercised in imposing restrictions. You can only get such investment of money in buildings as the business is likely to give a return upon, and to impose too onerous restrictions is simply to prevent any accommodation being provided, and so to prevent the park from being used for the purpose for which it was intended.

10 p.m.

Mr. ROCHE: The hon. gentleman, I suppose, refers to a minimum value for the hotel buildings. I may say that no minimum value is fixed for hotel buildings in Jasper Park, but there is a minimum for private residences.

Mr. OLIVER: I am afraid the hon. minister is under the wrong impression. In any case, there is urgent need for tourist accommodation in Jasper Park. A moderate measure of accommodation would be a great advantage, but that moderate measure of accommodation cannot be secured if undue requirement is made in the matter of expenditure, and so the usefulness of the park is to a great extent lost.

Mr. TURRIFF: What is being done with the surplus of buffalo being raised in Buffalo Park?

Mr. ROCHE: There has been no disposition of the surplus as yet.

Mr. TURRIFF: Last year I asked the minister if he was going to fulfill the undertaking that was given some years ago about sending some buffalo down to the Moose Mountain reserve. The Government bought the land and paid for it and the reason given last year why the buffalo had not been removed to it was that some one had reported that the land was not suitable. There is no use of any person reporting that to me because I know all about the land; it is perfectly suitable. The Government bought and paid for the land some years ago, they advertised for tenders for putting up the fence, but it was never gone on with and the land is lying there idle. The department have more buffalo in Northern Alberta than they need and it would be a good work to send 20 or 30 of them down to the park. There are no buffalo in southern Saskatchewan at all. Formerly that was the home of the buffalo. When, on occasion, the minister is asked to do anything of this kind he pleads economy. I notice that he has reduced his estimates by quite a sum this year and I give him a considerable amount of credit for it although I think the reduction could have been carried very much further on several items. It seems to me that to ask for a vote of $2,879,000 under this head is not showing a great deal of economy. The putting of some buffalo in the park is a matter of a very few miles of fence, and it would not cost much money. The minister has three men now working on the reserve as forest inspectors and fire rangers where formerly one was considered sufficient when there was a great deal more timber than there is at the present time. It would not entail any additional cost to the Government to keep some buffalo there. I would like to ask the minister if he has forgotten his promise that he would take this into his very favourable consideration.

Mr. ROCHE: The reason I have not actively taken it into my consideration, that is acted upon it practically, is simply the desire to economize. The hon. gentleman has given me credit for having reduced my estimates. So I have. I have reduced

them very materially on nearly every item. I have reduced my estimates for this coming year by not far from $1,000,000, or over $900,000. It would cost considerable money to move a portion of the herd of buffalo down to where the hon. gentleman wants them. It would involve the building of a fence, the employment of the necessary men and a superintendent and the providing of winter food, etc.

Mr. TURRIFF: My hon. friend has men there now with practically nothing to do.

Mr. ROCHE: There is nobody on salary.

Mr. TURRIFF: The minister told us half an hour ago when we were talking about timber reserves that he had three men there. They could look after the buffalo. Their principal job in connection with the timber is to draw their pay. While my hon. friend has done fairly well in cutting down his estimates by $400,000, he could very well have cut off an extra $800,000 and left his expenditure at $2,000,000 which would be ample in these times when we are supposed to have economy in every place but the Government departments.

Mr. ROCHE: But you are asking me to increase the expenditure.

Mr. DOUGLAS: How many buffalo are there in Wainwright park and also in Island Lake part?

Mr. ROCHE: Nearly 2,400 in Buffalo park.

Mr. DOUGLAS: How many in the other one?

Mr. ROCHE: In Moose park 17. These are the figures: Rocky Mountain park, 13; Buffalo park 2,399; Elk Island park, 134, making a total of 2,546.

Mr. DOUGLAS: How many other animals are there?

Mr. ROCHE: Moose, 73; elk, 153, and mule deer, 180.

Mr. TURRIFF: The Moose Mountain reserve, which is in southern Saskatchewan, is the only place for some hundreds of miles in two or three directions where there is any considerable body of timber or water. It is a great resort for people in the southern portion of Saskatchewan. I have been at the reserve on a Sunday and I have seen 200 automobiles there in which people have come for a distance of 50, 75 and 100 miles to spend the day. I would be satisfied if my hon. friend would fence what was necessary to take care of ten or fifteen buffalo. I do not want my hon. friend to do much but surely he could spare ten head of buffalo out of the 2,000 he has. It would not cost very much.

Engraving, lithographing, printing and preparation of maps, plans and kindred publications of the Dominion, including necessary materials for same, $66,100.

Mr. ROCHE: There is a reduction of $10,050.

Mr. OLIVER: Does this lithographing include the cost of making homestead maps?

Mr. ROCHE: Yes.

Mr. OLIVER: How soon may the edition of the homestead maps for this year be expected to be available and which section is likely to be out first?

Mr. ROCHE: The edition is in course of preparation but I cannot exactly tell the date at which it will be available for distribution. It will be expedited as much as possible.

Mr. OLIVER: I have an inquiry from the Alberta Association of Municipalities in regard to taxation on lands held in reservation for the Hudson Bay Company. The association protests against this reservation of lands to belong to the Hudson Bay Company inasmuch as that reservation prevents them levying taxation on those lands. I have addressed the resolution of the association to the minister, but possibly he will be able to make a statement to the House in regard to the situation as to this reservation of the Hudson Bay lands and their freedom from taxation at the present time.

Mr. ROCHE: The hon. gentleman wrote me and I am having the information prepared in the department and will send it to the hon. member in a day or two. I understand that there is a considerable reservation from which the Hudson Bay Company is to select land. There have been a number of their lands in some of our forest reserves and we have been getting them to exchange those lands for other lands, and have placed a certain reservation on the lands from which they are to make selection. There has been a little hitch in this respect: In the past it has been their privilege to go and make their selection of other Dominion lands from reservations irrespective of what their value might be. The members of the Council were of the opinion that there ought to be a little better investigation into the nature

of those lands and their value before having any exchange made and they suggested that we should take it up with the Hudson Bay Company to see if we could not get them to accept lands of a similar value. In the past it has been lands of similar area, but we might be receiving in exchange lands much inferior to those that they would select. For that reason we have taken the matter up recently with the Hudson Bay Company to see if they would not accept lands of similar value. The Hudson Bay Company are not anxious to do that. In the first place, they say it would be more expensive, having to value the lands; they would have to put on a valuator and so would we. They think that, inasmuch as the exchange is being made at our soliciation, they ought to be free to select any available Dominion lands irrespective of value. The matter is being taken up now and will be dealt with as expeditiously as possible.

Mr. OLIVER: From the same source there is a resolution in reference to the accumulation of taxes against pre-emptions or homesteads which have reverted to the Crown. As I remember the purport of the resolution, it asks that where local taxes have accrued against a pre-emption or homestead that has finally reverted to the Crown, those taxes be held as a lien against that land, to be met by the subsequent entrant. That is, in effect they ask that the local taxes be put in the same position as improvements made by the original entrant who forfeits his homestead.

Mr. ROCHE: That might result in leaving a lot of land on our hands.

Mr. OLIVER: The suggestion has been passed on by me to the minister, and I have asked him if he could make a statement upon it.

Mr. ROCHE: I have not given that point much consideration. I can see certain difficulties in connection with it, but I will give it consideration.

Progress reported.

Sir GEORGE FOSTER: According to the arrangement we made last night it will be in order for you, Mr. Speaker, to give the House a recess until twelve o'clock to-morrow.

Mr. DEPUTY SPEAKER: I suspend the sitting of this House until twelve o'clock to-morrow.

The sitting of the House was accordingly suspended at 10.25 p.m. Friday, until twelve o'clock to-morrow, Saturday, when Mr. Viviani, chief of the French War Mission to the United States, will be tendered a reception by the Parliament of Canada.

Saturday, May 12, 1917.

The sitting of the House of Friday, May 11, was resumed at twelve o'clock to-day, the Deputy Speaker, Mr. J. H. Rainville, in the Chair.

THE FRENCH WAR MISSION TO THE UNITED STATES.

SPECIAL SITTING OF THE HOUSE ADDRESSED BY M. VIVIANI.

M. Viviani, Chief of the Mission from France to the Government of the United States, and Minister of Justice in the French Government, entered the House at 12.15 o'clock, and was escorted to a seat of honour beside Mr. Speaker's chair by the Right Hon. Sir George Foster, M.P., Acting Prime Minister of Canada. A reception was tendered to him by the Parliament of Canada.

M. Viviani was addressed by the Deputy Speaker (Mr. J. H. Rainville), first in English and then in French, the Senators and Members of the House of Commons standing during the address.

The DEPUTY SPEAKER (Mr. J. H. Rainville) (Speaking in English):

Monsieur Viviani: I am proud to be in the position as Deputy Speaker of this House to express the welcome of the people of Canada to you on this happy occasion. We all appreciate the fact that you have not missed the opportunity afforded by your important mission in America of visiting Canada, now a great democracy, thanks to the genius of Great Britain, and upon which a deep imprint has been left by the France of old days.

Allow me, in the absence of His Honour the Speaker of the House of Commons, who deeply regrets his inability to be present, to thank you and to say that your presence in our midst stimulates our desire to help in the war, whilst it also carries with it a lesson of the highest significance. We cannot forget that love of freedom and the desire to promote all generous causes have ever been among the basic principles upon which your country has built its civilization. There are no people in the world who more than those of France love truth,

justice, equality, and have more strenuously fought for their triumph.

Your arrival in Ottawa has assumed the importance of a public festival. You will find here nine provinces federally united under the same flag, having three oceans for their boundaries and enjoying complete liberty under the ægis of the British Crown and under the political institutions which have been established by the British constitution.

The admirable verse of your poet Henri de Bornier. "Every man has two countries his own and France," seems peculiarly to apply to us now that our sons have blended their blood in the struggles and successes of bitter warfare. Our eyes are turning more and more towards your country, where thousands of Canadian volunteers have made the supreme sacrifice on the altar of liberty and fraternity. One of our youngest colleagues, Colonel Baker, member for Brome, has fallen on the field of honour. Another, Dr. Béland, who was formerly a minister of the Crown, is now lingering in a German prison; twelve others are now at the front; the sons of about fifty senators and members have enlisted, and some of them will never return.

It is a long martyrdom that France is now suffering, but her energy, pertinacity and heroism will bring victory to her flag in this brutal war which has been cruelly thrust upon her. In the darkest days, your glorious nation has ever held the proud position which the genius and intellect of her sons have secured for her in the world's civilization. Their portion of the common sacrifice is indeed very large, but we hope and know that it will result in a victory which shall not only be glorious but permanent.

You will in a few days leave the American continent and return to your partly devastated France, where Canadians of different origins are now fighting shoulder to shoulder with your fellow citizens. Kindly convey to France the testimony of the admiration and sympathy which this war has inspired in our hearts for her noble ideals; tell her that you have seen on this Canadian soil a young nation which has stayed its material development for the purpose of assisting the world to vanquish that militarism which has already produced terrible results in Europe and has so seriously threatened the freedom of mankind.

We welcome you most cordially among us and wish you personally happiness and prosperity, trusting that your visit to Canada may be one of the pleasant memories of your mission.

In this welcome I feel confident that I express the united sentiment of all the people of Canada.

(Translation into English.)

Mr. VIVIANI: As has been said by your Speaker, Mr. Rainville, in his eloquent address, we could not possibly have passed so close to your country without having an ardent wish to visit it and to pay our respects to its citizens, with whose history our own is so intimately connected.

Hardly had we reached Canada than we, the members of the French delegation, were the object of the most enthusiastic welcome. And as a crowning success, gentlemen, you were so kind as to confer on my fellow-citizens and myself the supreme honour of a reception within the precincts of this House, and there could be no greater boon, no higher honour, no greater joy, than this provisional adoption into your community.

You may rest assured that our fellow-citizens in far away France, when they are apprised to-morrow or the day after, of the honour which has been conferred upon us, will have towards you a high feeling of gratitude.

You have just requested us, Mr. Speaker, not to forget the reception now tendered to us, and through us, to France; allow me, Sir, to thank you. That debt of gratitude which we owe to your great country, and which the great historical events in which we have participated in common, can only have the effect of increasing—that debt impressed us particularly on that day when we saw passing through the streets of Paris your admirable Canadian soldiers proudly bearing on their helmets the Maple Leaf. (Cheering). At that tragic hour we realized that your motto of former days—"I remember"—was no vain formula, no mere catchword.

Yes, you have remembered, and indeed it is something that strikes one with admiration to witness how this feeling of gratitude, as a rule a personal feeling lying in the depths of the human heart and conscience, diffuses itself throughout democracies and becomes a collective feeling which makes for the greatness of the nation as a whole. I remember, and we have proof that you have also remembered. First of all, your generosity towards France is unfathomable. Of course, I could not but omit important facts and be perhaps unfair were I to attempt an enumeration of your generous

deeds, and of all that you have done for France: field hospitals without number; the hospital at St. Cloud, in which you have reserved 1,300 beds for French patients, and other hospitals everywhere established, with a staff of Canadian nurses and medical superintendents.

I need not point especially to the supreme sacrifice, to which you have just given a pious thought in recalling that some members of this House have fallen at the front in this holy cause; that some are held prisoners in Germany, that you gentlemen of the Parliament of Canada have given fifty of your sons who, without hesitation have gone over to resist in the name of truth and justice the most formidable avalanche which barbarity has ever let loose on the civilized world. (Applause.)

Yes, Sir, your Canadians have fought along with English and French troops, without paying any heed to racial differences. Under the flags of all the Allies they have all shown a similar courage. It must not be forgotten that in the month of February of 1915, at Ypres, in the north of France, near the Belgian frontier, in a country devastated by floods, after the terrific assault of the German soldiers by means of asphyxiating gases—Germany, the country that has caused science to swerve from its true ends, and, instead of pouring its benefits upon mankind, has visited humanity with manifold evils and crimes—that same Germany has had to meet your Canadian soldiers. On that terrific day, your sons, rising in their might, saved the situation. (Cheering.)

And throughout many battles, throughout numerous and recent victories, the soldiers of Canada stood up heroically against the foe. Even at this moment, we have before our eyes your boys, so alert, so athletic, so brave, the first to storm, victoriously carrying their flag to that ridge of Vimy which was reputed to be impregnable. (Cheering.)

Hail, to all these soldiers; let us bow our heads reverently before those who fight, those who suffer and those who have laid down their lives for their country. They had a clear perception of what their action meant; when they left this country they were well aware that it was not only Great Britain that they were called upon to defend, that it was not only France that they were going to protect against the attacks of invaders;—their clear vision upturned towards Heaven, detected the higher object; they were well aware that it was the sacred cause of humanity, of democracy, and of justice that they were defending. (Cheering.)

Still labouring under the impression left by such glorious and recent events, we have come here to pay you a visit. Your enthusiastic welcome only serves to increase the bitterness of my regrets, as I reflect on its inevitable brevity; but I am confident that you will be at one with me when I state that depth of feeling should not be measured by the length of a visit, but rather by the persistence of the feelings which are thereby instilled in the heart and in the mind. Such assurances of our feelings which I bring to you, I would much have liked, after visiting your beautiful Capital, to carry to other cities; it would have afforded me great pleasure to have visited Toronto, Quebec, Montreal, but our time is limited, and I beg that you may excuse the shortness of our stay, thinking only of the sincerity of the feelings expressed in our message to you.

It would have been a great satisfaction to me to travel at leisure over this admirable country, thinking and dreaming over past events in your history which, at many points, is interlocked with our own national history.

In coming to this country I desire to pay a tribute to Great Britain, that land of freedom, whose sons, wherever they go, bring with them emancipation and liberty; under every sky her mission is not to reduce men to slavery, but to awaken consciences and arouse determinations. I should have assured Great Britain, our noble ally, of our gratitude for having rallied to a man to the rescue of France in this, her supreme hour, because forsooth British statesmen had been parties to a treaty guaranteeing Belgian neutrality; because England's pledge was not to be denied; because a nation's honour has not two codes, nor a double morality, and because every country should take up arms and fight with all its might to redeem her promise.

I desire also, to recall the memory of our ancestors, those Frenchmen who came to this country in olden times and who seem to have brought to this soil all the elegance of manners and the beauty of France and Normandie. I am happy to note in their scions the ancient and strong qualities which are the reputed and proud characteristics of our race. To them I owe my thanks for having maintained in all its purity and perfection that noble French, which language to-day resounds throughout

the universe, which you, Mr. Speaker, speak so admirably, and which you know in its absolute purity, partaking as it does of the limpidity of a stream and the resistance of a metal. (Applause).

It would have been a pleasure to me had I time to note on the bronzed faces of your country people the familiar traits of their brothers, our French peasants; and bow acknowledgment to the virtues which they share in common; thrift, assiduity to the daily task, steadfastness, and everything which contributes to the strength, the valour, and the fame of a nation.

My time is limited, and I must beg your pardon for abbreviating my remarks. However, I would not be doing justice to the utterances which fell a moment ago from the lips of your Speaker if, at this very moment, and from this time, from this high situation you have assigned to me, though a stranger among you, I did not, following in the footsteps of the speaker who preceded me, attempt through time and space to solve the serious problems brought on us by the war, including the very carrying out of that war.

In the first place, what was the origin of that war? Who is responsible for having started it? You mentioned it in your speech, Mr. Speaker, that bloody war was let loose on us by the whim of an absolute ruler, a ruler whose will is the only law, who governs heedless of parliament or ministerial responsibilities. It was let loose by the pride and madness of a whole people. It was let loose to destroy the free democracies and peace-loving peoples of the world.

Who among the peoples of the earth were more attached to universal peace than Great Britain and France? France had been vanquished in 1871—and it is no longer an humiliation to us to recall that defeat, since in the meantime we have retrieved ourselves and find ourselves once more in a position to face our enemies. (Prolonged applause). Such was our liking for peace that while with tearful eyes we looked over the war-ridden boundary, while we peered over the border at our provinces of Alsace and Lorraine, and while we carried in our breast a bleeding wound which could not be healed, yet so as not to trouble the world's peace, though not forgetful of the past, we kept still. Such was our attitude.

Then, as regards Great Britain, which German slanders charged with having brought on the war, she had not even thought of establishing military conscription; she had not provided a fighting machine, lacking which war becomes impossible; she was thinking of universal peace only, and of providing work for and insuring the freedom of nations.

Both these nations were attacked, France, Great Britain, and also Russia. It was a challenge sent out to the whole civilized world, and then it was a question, not as to whether we were going to fight for the acquisition of territory, not as to whether we should recover sections of provinces, but as to whether free men would be allowed to enjoy the warmth and light of liberty. (Applause).

Such is the great struggle that is going on between an arrogant autocracy, which already we have struck down on the battlefield; an autocracy, bent on ruling over the world, and democracy, whose sole aim is to regenerate it. Such is the great struggle between absolute rulers, who consider as mere possessions the peoples over whom they hold sway, who aim at enslaving men's bodies, and democracy, whose object is to uplift the mind, the conscience and the soul.

And notice what wonderful changes have taken place in Great Britain and France. Some time previous to the war those two nations had come closer to one another and had concluded, many years ago, the entente cordiale. This reference to the entente cordiale concluded between France and Great Britain reminds me necessarily of your former governor, Lord Lansdowne, whom I had the honour to meet in London some years ago, one of the keenest and most refined minds in Great Britain, and who, no doubt, because he had long lived among you and because he had come to know France through knowing Canada, came back to Great Britain with a desire to establish l'entente cordiale and bring the two countries closer together.

Here I am bound to pay my respects to the memory of Edward VII who was the enthusiastic medium of bringing together those two great democratic and free nations, because his clear insight into conditions generally had satisfied him that such a result was possible and in order. Neither can I proceed any further without paying homage to his successor on the throne who with a strong hand in that tragic moment of history brought about the practical results implied in the entente cordiale as formerly concluded.

What an admirable example was set to us by those two countries. Great Britain had remained aloof from conscription; she had applied her whole activity to forwarding in-

dustry, trade, and building up her navy. And when the hour of danger came, when she felt that a few thousand men would not be sufficient to resist the onslaught; when she realized that the war would be won not solely through the bravery of her children, through the courage of her soldiers, but that munitions, guns, and munition factories would be indispensable; then as by a miracle at the call of the Government, not only in Great Britain but in Ireland and throughout its possessions and colonies—for the British colonies to Germany's great surprise rallied to their mother country in the hour of danger—not only munition factories and guns and projectiles, but thousands and thousands of men, five hundred thousand, one million, one million and a half British soldiers, including your own Canadian boys, stood up and entered the fray alongside their French comrades. Such is the admirable spectacle which Great Britain presents to the wondering eyes and consciences of the world.

I am quite aware that German calumnies must have reached this country; it is even likely that they have found their way to your minds and hearts; we do not feel humiliated because before the war you may have thought, on the faith of what was so often repeated, that France was a lost country, corrupt, dissolute, frivolous, catering solely to its pleasures, and so much rent by political dissensions that when the great struggle would come, Germany would be facing not men but a divided army, easy to scatter. Well, you have been witnesses of what France can accomplish; that wonderful France, standing undefeated because her sons keep up both with the traditions of the past and the traditions of the Revolution. You have seen what her genius can effect, the same genius that has emancipated a large section of humanity. We had arms; we had an army. But what could our army do, with only 40,000,000 of inhabitants to draw from, in a struggle against the Germans who for the last 45 years have been perfecting their war machine in order to hurl it against our country. We gave way at first, both British and French; we gave way before the storm; we were not in sufficient numbers but we righted ourselves after the battle of the Marne. (Long applause.)

How has that been possible? It is because the world's estimate of France was not true.

There are political parties in France; every free democracy is made up of parties who struggle for supremacy, who hold different views, who do not servilely copy each other's gestures and expressions. What counts, after all, is that at the supreme hour all citizens unite in a common sacrifice on the altar of their country; what counts is that every citizen should remember that before belonging to any political party he owes allegiance to his country; as the preservation of the country is essential to the very existence of any party. (Applause.)

Well, what country could have done better than France to bring about this great sacred alliance? Everlastingly shall I remember, as the greatest honour that was mine in all my career, that eventful 4th of August, when I entered into the French House of Representatives with the declaration of war that had been communicated to me, as President of the French Cabinet, by Mr. de Schoen on the previous day. My colleague, the Marquis de Chambrun, a member of the French Parliament, will also recall the occurrence. There were all the members standing, quivering with emotion, all the galleries filled with wives and mothers who were going to send to the front their husbands or their sons; everybody standing; no more political parties; no more groups; none but Frenchmen reconciled in their devotion to their country. And as days followed days, all parties rallied to the same flag and put on the same uniform. Catholics no more; free-thinkers no more; Socialists no more; Radicals no more; Conservatives no more, but all children of the one France. All Frenchmen, leaving aside their old disputes, came to the common conclusion that there was no necessity to arouse political differences; that before fighting between ourselves it was first of all necessary to keep under our feet a free soil, an undivided France. As one man, we shouldered our guns, and it is that wonderful unity, that sacred unity, that has given us and will give us victory.

I join with you, Mr. Speaker, in hailing this victory. It should by all means break forth to the full knowledge of humanity; indeed, if this great effort of ours should not be crowned by victory, then I must say there never was waged a war so disastrous to the nations of the world. In former days nations have suffered grievously through defeat; but such wars were struggles between armies, and differences were settled through a treaty of peace; while in this war we are the spectators of a struggle between conflicting types of minds and nations. At present, I repeat, what is at stake is not territorial

aggrandizement—it is more than that—it is the freedom of the world. (Applause).

You Canadians who listen to me, you freemen who sit in this Parliament, pray mark my words. I realize that you are farther away than we are from the battle-fields; the roar of guns does not reach your ears; you do not see the return of large numbers of wounded men; but morally speaking, you are just as close as we are to the fray. Confronting one another we have autocracy and democracy, and should, perchance, the freemen fail to win the war, democracy and universal justice would be defeated at the same time. It was in the cause of justice that at all epochs we drew the sword; it was in the cause of justice that Great Britain and France, together with their noble Allies, entered the war; it is to enable the children of men to enjoy after the war the advantages of a well assured and prolonged peace that we are fighting.

Mothers who now listen to me, it is for your children's freedom, it is to prevent the recurrence of any wars and to secure the peace of the world, that a whole generation is now giving its blood, and making to-day the supreme sacrifice.

Let a pious thought accompany those who go to the front. All laudatory epithets have been exhausted; there is nothing left to say in their praise but that some have given their lives for a sacred cause while others are fighting for the liberty of all mankind. Soldiers of Justice, soldiers of Truth, soldiers fighting for the right, your fame and your courage shall ever be an undying example to Man.

Right Hon. Sir GEORGE FOSTER (Acting Prime Minister): Mr. Speaker, I rise for the purpose of making a motion—it may be allowable, although all persons sitting within this room are not members of Parliament—in order that each one who is here may give his vote thereon, silent or expressed. Would to heaven that the speech to which we have just listened, so full of heart and fire, so full of the loyal spirit that beats true to humanity's best aspirations, could have been heard by every man in our Dominion. I wish to move, Sir, that this speech, as taken down by our reporters, be inserted in the Official Report of the Debates of this Parliament, in order that it may become a part of the imperishable records of this country. Would that to those pages, which will record the words of our distinguished visitor, there could also be transferred the fire, the spirit, the human force and vitality which to-day have entered into those words and have given to them an import and a meaning that the printed page is all too weak to carry.

Sir, this is a most unique occasion. Have we quite an adequate sense of how unique an occasion it is? Look at this bunting, which decorates the chamber. There are the flags of Britain, of France, of the United States of America—if we had had time, we should have had the flags of our other Allies as well. Looking at these flags on this historic occasion, what memories of the past do they invoke, what anticipations for the future! Our distinguished visitor of to-day, who has done us the extremely great honour of paying a visit to the Capital of our country, may have addressed far larger audiences and may have spoken to multitudes in comparison with which this assembly is but a small number, but he has never had a truer response to his burning words than that which has been given him to-day by those here assembled.

Not only have we with us to-day a man of marked personality and extreme brilliance and force of expression, but, in that chair to-day, in his personality, sits France—the France of many storied centuries, the France which, emerging from the dimness of past ages, has, by virile force, by artistic power, by the clear adaptation of great ideals, waged nobly and well her part of the world's warfare and achieved her part of the world's progressive work. The representatives of that other flag have in the past fought on many a field against the representatives of the French flag. To-day those two flags are intertwined; to-day those two great nations represent one struggle, one contest for one great world-ideal of liberty and of equality. As we hear these burning words and realize that France sits there, we can see the heroic bravery of her peasant soldiery who for two years and ten months, in brown trenches and on bloody fields, have stood off the attacks of despotism, the might of German power and domination, and have saved not only France, but the world, and liberty, and freedom. We see, too, the unexampled heroism and the cheerful, self-denying suffering of the women of France, who, behind those trenches, have done the work formerly carried on by that soldiery, on farm, in field, and in all the avocations of life. The matchless soldiery and the devoted women of France are present with us to-day as the burning words which we have heard break upon our ears.

But, Sir, we see more than France sitting in that chair. This occasion is but the indication and registry of something wider far and deeper still which is finding birth and incarnation in the fierce struggle of to-day. Above us poises the spirit of the other mighty allied nations, whose hearts beat in unison with the heart of France and of Britain, who have caught the radiance of the same high ideal, and are pursuing it through blood and sacrifice to a victorious realization, fused together in the white heat of a fervour that burns away all previous misunderstandings, all old time feuds, all the misapprehension and ignorance of the past, and leaves the spirit of these nationalities free to knit itself together for the greater world-work which shall come after the war.

And that great work shall be the reconstruction of that which has been destroyed, the laying anew of the foundations of a world of liberty, freedom and justice; of a world which, bathed in these fires and purified in this great struggle by self-denial and sacrifice, shall be raised to higher planes, on which generations yet unborn shall flourish and flower.

And, if Canada can be allowed one small word, in that Chair we see the representative of one of the two parents of this country. Among these flags is one which is representative of Canada's other progenitor and parent. And they show you Canada, but a child, drawing its inspiration in part from France and in part from Britain, and true to the best traditions of both.

After this war, Canada can never be what she has been. The blood of her children mingles with the blood of Frenchmen and Englishmen on the soil of France. Her sympathies have been drawn towards the same ideals, comradeship has been welded in the fierce heat of battle, and a fusion of thought and sympathy and love has come which will bind this country to France and to the Allies as it never could have been bound but for the uniting power of death faced in a common cause.

It is not for me to prolong my words. Not for an instant would I attempt to set an estimation on the oration which has been delivered to us. I called it a speech at first, but that was a feeble word by which to describe it. It was an exhibition of thought, of feeling, of fire, of high ideal and strong purpose; it was not only an exhibition of the spirit of our distinguished guest himself, but it was a translation of what his country means and is. In the years that lie before us the memories of a great and glorious past will intertwine and play their inevitable and inexorable part, and that part can only be one of united forces making for progress and of betterment in all the long ages of the future. The old misapprehension and prejudices of the past will have passed away in the cleansing fires of war, washed away in common blood shed for a common cause, and the spirit of our countries will emerge united for a higher ideal, and a stronger civilization.

In the name, Sir, of the Parliament of Canada and of the people of this country, I tender to you, Mr. Viviani, our sincere thanks for your visit to us, and for the admirable words you have spoken. This audience is small but your words, Sir, will go to the very confines of our country; they will be read by millions of people, and they will accomplish a great and beneficent work.

Right Hon. Sir WILFRID LAURIER (Leader of the Liberal party): Mr. Speaker, —and may I add, though it is hardly parliamentary but justified by the occasion: Ladies and Gentlemen—a very happy thought is embodied in the motion which has just been placed in your hands by the leader of the Government. It is my honour, and still more my pleasure, to second that motion, and to that motion not only the members of Parliament here assembled but all within sound of my voice will, I am sure, be only too glad to give an unanimous assent. It was a very happy thought, indeed, that we should crystallize the events of this day in some undying manner, and what manner could be more appropriate than to incorporate in the official records of our House the message which M. Viviani has brought from the French people to the people of Canada—a message which has been expressed with eloquence unsurpassed, and in words of fire which have burned to the very core of our hearts. M. Viviani has been kind enough to say in his speech that he was bringing to us the thanks and gratitude of the French people for what we have done for France in the present struggle. I am sure that I am voicing the feeling of every Canadian when I say that, we ask for no thanks and no gratitude. What we have done, we have done for the cause of freedom, that cause for which France has already borne such a heavy burden and made such heavy sacrifices. I am proud to say to M. Viviani that what we have done we have done willingly, freely, voluntarily,

and through no sense of compulsion. It was, indeed, the belief in many parts of the old world where the virtue of British institutions was not understood, that as soon as England became engaged in a war the result would be very different from what actually happened when this war broke out. It was the calculation of the German Emperor, of the German militarists, and of the German people, that if England became engaged in a war there would forthwith be civil war in Ireland, insurrection in India, and the British colonies would seize the opportunity to sever their connection with the Mother Country. Sir, we are not surprised that those views were entertained in Germany, because the German people have never understood the spirit of liberty. Contrary to all their calculations this paradox of an empire of free peoples has become a living thing under British institutions.

M. Viviani has also expressed to us the thanks and gratitude of the French people for the part borne by our soldiers on the battlefield. That testimony of gratitude we accept; we accept it for our noble boys who have done their part in a manner to do credit to themselves and bring glory to their country. When we faced the thought of war, there may have been those amongst us who were apprehensive as to what might be the conduct of our young soldiers, soldiers not enured to war, not previously trained for military life, and for whom the first shock of battle might be a severe ordeal. Thank the Lord, we know to-day, and it is our pride to know, that they have borne themselves in a manner which proves that the blood in their veins has not degenerated. Not only that, but more. Many of these young soldiers, our boys, who crossed the ocean, never shall re-cross it. They have shed their blood on the fields of France, their bodies lie for ever in that sacred soil. We mourn their loss. But even those who have lost them will find consolation in the thought that under the mighty scourge of war will come a union between England and France of perpetual peace and amity. These countries linked together in mutual regard are an example to the world; and, now that they have been joined by the United States, we may see in this alliance the dawn of the day long hoped for, long prayed for, but long despaired of: the realization of glory to God in the highest, peace on earth, and good will among men.

The Rt Hon. Sir WILFRID LAURIER (Translation): Mr. Viviani, in the person of her distinguished visitor, Canada today hails the official representative of France, France at all times wonderful, but who during the last three years has held and is now holding ever increasingly the world in amazement; France, of whom you have spoken with such eloquence; France, united in a sacred union, which has put an end to all feuds, differences or shades of opinion, everything that disunited her sons; and which has placed her where she stands to-day, the champion, not only of her own freedom, but of the liberties of the world.

We greet you as the representative of France, and that greeting it is particularly pleasing to me to express in the French language, of which you have just spoken with such eloquence, a language which has the limpidity of a stream and the resistance of metal, which our forefathers have brought with them from the country of your ancestors and kept as their most, sacred heritage.

You visited the United States, accompanied by that illustrious general. . . .

(Long applause).

by that illustrious general who at the beginning of the war had been entrusted with the destinies of France, and who was successful in breaking the German offensive, and destroying for ever the enemy's plans for establishing German supremacy. You have visited all the great cities, and everywhere you have been greeted with a spontaneity, an outburst, an enthusiasm that must have sometimes astonished you and always exceeded your hopes.

You now cross from one country to another, from the land of the United States to the land of Canada, a British soil. Many are the historic ties that bind you to the United States; but stronger are those that unite you to Canada's soil; because if you have met everywhere in the United States the feeling of admiration which the mere name of France evokes here, on this British soil, you will find not only admiration, but along with our sympathy you will find national pride; you will meet two million citizens of French descent who have kept alive the cult of France, a cult, that honours France, for inspiring it, Canada for fostering it, and England for respecting it.

But I hasten to add that, if we keep up the pride of our origin, we are equally proud of our allegiance. I say our allegiance; the word has somewhat fallen into disuse in France, but it was brought from France into England by the Normans and brought from England into Canada. We are proud of our allegiance, because wherever rights exist duties are born. We enjoy the rights of our origin, we have the duties of our allegiance, and for both we have an equal respect.

Mr. Viviani, your stay amongst us is too brief; you will soon depart; let me tell you that you leave behind a souvenir never to be blotted out of our memory, and that whatever happens, we shall remain true to the cause we are fighting for. We shall persevere until final victory, be that victory at hand, as we hope, or be it distant, as may be; we are in the struggle to the end. And we have no doubt of a victorious outcome, because we, in Canada, as you, in France, have the common resolve never to lay down arms until right and justice have again taken their place under the sun.

The DEPUTY SPEAKER: Sir George Foster moves, seconded by Sir Wilfrid Laurier:

That the admirable and eloquent speech just delivered by M. Viviani be inserted in the Official Report of the Debates of this House, and that it form a part of the permanent record of this Parliament.

Motion agreed to by a standing vote.

Hon. Sir GEORGE FOSTER moved the adjournment of the House.

He said: Before the adjournment, I beg to say that if the ladies and gentlemen present will be kind enough to walk in at the right of Mr. Speaker, and out at his left, M. Viviani will add to the gracious debt under which he has already placed us by giving them a personal greeting.

The audience then sang La Marseillaise and God Save the King, and in response to the call of the Deputy Speaker cheered "Vive la France."

Motion agreed to and House adjourned at 1.20 p.m.

Monday, May 14, 1917.

The House met at Three o'clock, tne Deputy Speaker, Mr. J. H. Rainville, in the Chair.

FINANCIAL ARRANGEMENT BETWEEN BRITISH GOVERNMENT AND C.P.R.

Hon. Sir THOMAS WHITE (Minister of Finance) moved for leave to introduce Bill No. 47, to facilitate certain financial arrangements between the Government of the United Kingdom of Great Britain and Ireland and the Canadian Pacific Railway Company, and for other purposes.

He said: The object of the Bill is indicated in the title which I have just read. I may explain further, for the information of the House, that the Government of the United Kingdom, for the purpose of making financial provision for the prosecution of the war, has taken over and acquired, and proposes to take over or acquire, by compulsory purchase or otherwise, from persons resident in the United Kingdom, certain securities of the Canadian Pacific Railway Company and of the companies whose lines are leased to that company. The purpose of the British Government in so taking over these securities is to make them available for raising money on this side of the Atlantic; in other words, to assist the exchange situation, which for a considerable time has been adverse to Great Britain. In order that the British Government may have securities which can be sold on this side of the Atlantic, they have requested the Canadian Pacific Railway Company to issue collateral trust bonds of the company payable in United States currency. These collateral trust bonds are to be exchanged by the Canadian Pacific Railway Company, if and when requested by the Government of the United Kingdom, for the consolidated debenture stock and other securities payable in sterling which shall have been acquired by the Government of the United Kingdom in London. That, in brief, is the transaction, and it is in order to empower the Canadian Pacific Railway Company to issue these collateral trust bonds to an amount sufficient for the purpose of exchange with the British Government for these consolidated debenture and other sterling securities that this Bill is introduced.

Sir WILFRID LAURIER: As I understand the Bill as outlined by my hon. friend, it contemplates not to add to the liabilities of the Canadian Pacific Railway Company, but simply to substitute one class of security for another?

Sir THOMAS WHITE: That is the object of the Bill. The Canadian Pacific Railway Company has asked that the Bill be introduced in order to facilitate arrangements which it has been specifically requested by the Imperial Government to enter into.

Mr. PUGSLEY: I am under the impression that in the report of the proceedings of the Canadian Pacific Railway Company the president is reported as having stated that, owing to the entry of the United States into the war and the loan to Great Britain by the United States of $7,000,000,000, the carrying out of the proposal as originally made was not now contemplated. Perhaps my hon. friend will be able to inform the House whether or not that is so.

Of course, if it is so, it would not be necessary to proceed further with this proposed measure.

Sir THOMAS WHITE: When I first placed this Bill upon the Order Paper the matter was quite urgent, because an issue of these bonds was about to be made in New York. On account of the financial situation which developed by reason of the entry of the United States into the war, it was found inadvisable to proceed. No such issue is now in immediate contemplation, but I know that the British Government has asked the Canadian Pacific Railway Company to proceed with this legislation in order that it may be available if required.

Motion agreed to, and Bill read the first time.

PRIVILEGE.

STATEMENT BY MR. J. D. TAYLOR.

On the Orders of the Day:

Mr. J. D. TAYLOR (New Westminster): I rise to a question of privilege and to call attention to an unusual episode which occurred during the debate in this House on the 1st of May., the speaker being the hon. member for Qu'Appelle (Mr. Levi Thomson), who is reported in Hansard, page 1021, as follows:

> I would not like to charge any man with disloyalty, not even those political colonels who strut around our country in the King's uniform, drawing big pay, and who have been on a free trip across the Atlantic to England or France, but who, the moment they smelt gunpowder, turned tail and skipped back home, leaving their men to go to the front without them.

If the audience to whom this is addressed, that is, the Canadian public, had been present in the chamber and could have visualized the scene, it would not have been necessary to make any remarks in answer to the hon. gentleman; but unfortunately, such is not the case, and his remarks, going to a public uninformed as to the source of a statement of this kind, are very mischievous and insulting to the commanding officers in His Majesty's army, of whom I have the honour to be one. I am sure, Sir, you will recognize that this statement is doubly out of order; in the first place as a flagrant breach of Rule 19 of this House, and in the next as a breach of that most particular rule of parliamentary debate which prohibits any reflection on the honour of officers of the naval or military forces. The hon. member for Qu'Appelle has not been present in the chamber since I arrived from British Columbia a week ago. but on a later occasion, when he is present, I purpose, with the permission of the House, making a motion which I think will be in order, namely: that that hon. member be ordered to withdraw these remarks and that they be expunged from the Hansard for the day named.

In the meantime, however, I think I am in order in making a personal explanation—at least personal to myself—as to how I, one of these political colonels, who no doubt was referred to (because the passage is meaningless if it does not refer to colonels who are members of the House of Commons) come to be here to-day.

I may say that I had as clear an understanding with the Department of Militia in this country as any commanding officer could have, that I was raising a battalion with which I would serve at the front so long as the battalion served. As I have said in the House before, I recognized that military exigencies, when we arrived in England, made it seem necessary to break up the battalion and to remove, not the commanding officer from the battalion, but the battalion from the commanding officer, which is the real process there. The brigadier in a case like that takes command of the whole battalion, calls out the officers, directs his sergeant-major to march away the men in accordance with the notice already given that those men are to be attached to a reserve battalion to go forward as drafts, and the commanding officer is left to wind up the affairs of the battalion. That is what occurred to me and to several other members of Parliament in command of battalions who arrived in England at the same time as I did. Subsequently we received, through military headquarters, a specific invitation from the Government of Canada to return to Canada to attend to our parliamentary duties. When that invitation was extended to me I replied in writing that I would be pleased to accept it provided that I was not required for military service. The rejoinder to that was information to me that my passage had been booked on a steamer sailing a couple of days after I received the notice, and I think the same explanation applies to every other of those so-called political colonels. May I suggest, in conclusion, that if we desire to have His Majesty's uniform respected in Canada, by the people of Canada, it would not be out of place for the House of Commons to give the lead.

SHIPBUILDING IN CANADA.

CONTRACTS BY IMPERIAL MUNITIONS BOARD.

On the Orders of the Day:

Hon. Wm. PUGSLEY (St. John): I had not the pleasure of being present in the House on the 11th instant when my right hon. friend, the Minister of Trade and Commerce and acting leader of the Government (Sir George Foster) made a statement with regard to the building of ships, in particular, of wooden vessels, a matter which is of very great importance and which is exciting a great deal of interest, more especially in the Maritime Provinces. My right hon. friend is reported to have made this statement:

> As to wooden ships, an arrangement is now completed and is being carried out whereby any body or any company that can undertake in a bona fide way to build wooden ships and to deliver them within a certain time, will get the opportunity of building the ships and will be assured that the ship will pay for the cost of construction, with a reasonable profit.

It would be desirable in the public interest that certain details, which are wanting in the observations of my right hon. friend, should be given to the House and to the country. As my right hon. friend is aware, there are in New Brunswick a large number of places, for instance, in the city of St. John, and at other points along the St. John river, the Kennebecasis, the Miramichi, the Restigouche, and other points in the counties of Kent and Gloucester where in former days wooden shipbuilding was carried on very extensively, and where there are admirable sites for the building of ships. I think the only thing that is wanting is that definite information should be given to people who are interested as to the terms upon which contracts would be let and as to the standard of vessels which would be required, in order to induce quite a large number of persons to engage in wooden ship building. At present they have no information upon the subject; they do not know to whom to apply; they do not know the standard of vessels required, and it is desirable that such information should be made public. My object in bringing this matter to the attention of the House and particularly to the attention of my right hon. friend is that that information should be furnished as early as possible.

Sir GEORGE FOSTER: It is not an unreasonable demand that proper publicity should be given in relation to the question which has been brought up by my hon. friend. In the first place I may say that inquiries addressed to the Munitions Board will bring all the information of the kind hinted at by my hon. friend. In the second place if it should seem advisable to make an announcement to the public in a fuller or perhaps a more speedy way the Government will confer with the Munitions Board as to such an announcement.

Sir WILFRID LAURIER: I would presume that in a matter of this importance there must have been correspondence between the Imperial authorities and the Dominion Government. Perhaps the best way of making the announcement would be to bring down the correspondence.

Sir GEORGE FOSTER: Such correspondence would be between the British Government and the Imperial Munitions Board, which is entirely under the British Government. If any correspondence in reference to this matter has passed between the British and Dominion Governments, that of course could be brought down.

Sir WILFRID LAURIER: One would not suppose that correspondence is taking place between the Imperial Government and the Munitions Board, of which this Government have no knowledge whatever; it would not pass over the head of this Government.

Sir GEORGE FOSTER: Bless the heart of my right hon. friend! Surely he does not adhere to the position that the British Government either through an agent or otherwise cannot make a purchase or close a contract in this country without coming to the Dominion Government.

Sir WILFRID LAURIER: Bless my heart to this extent: the British Government can, but I do not suppose that they do.

Sir GEORGE FOSTER: They would bother this Government to death if we were consulted every time.

Sir WILFRID LAURIER: I dare say they have done so, and that is why I want the correspondence.

SHIPBUILDING IN CANADA.

QUESTION AS TO AID BY CANADIAN GOVERNMENT.

On the Orders of the Day:

Mr. WILLIAM PUGSLEY (St. John City): Has the Government given any aid either by loan of money or otherwise to the Im-

perial Munitions Board for the building of wooden ships in Canada?

Sir GEORGE FOSTER: I have given all the information on that head that it is possible to give. If my hon. friend requires the specific information he has detailed to-day, I will see how far his wishes can be met.

Mr. PUGSLEY: My hon. friend stated in his remarks on the 11th instant that ships were being built in Canada and that every available shipyard was being utilized. I beg to differ from my hon. friend because I know of a number of shipyards where absolutely no work is being done. Would the minister be good enough to state to the House at an early date where shipbuilding is being carried on under the arrangement he has spoken of?

Sir GEORGE FOSTER: It is not the first time my hon. friend has differed from me, and found himself in the wrong in the end. I will try and get him all the information for which his ardent soul so longs.

Mr. PUGSLEY: It is a reasonable soul too.

WESTERN COAL MINING.

On the Orders of the Day:

Mr. W. A. BUCHANAN (Medicine Hat): Has the Minister of Labour any further information regarding the coal mining camps in the West? I read in the Montreal Gazette this morning that the District Union has called out the miners in all the camps in Alberta and Eastern British Columbia. The United Mine Workers of America control all the coal mining camps in Southern Alberta and Eastern British Columbia, and if this report is true the mines will all be closed and there will probably be a shortage of coal, because I do not think there is any coal stored in the West at the present time. It is also stated in the despatch that the Minister of labour has suggested a Royal Commission, and that the parties are considering it. The coal mining situation in the West is very serious, and I should like to know just what the Government is doing. The minister might also state whether a communication has been received from the operators in regard to keeping open the mines and operating them; I saw a telegram to that effect in a western paper the other day. I would also remind the minister of what purported to be an official statement from the Government in the latter part of January last when this trouble began. A proposition was supposed to come from the Government that if the difficulties between the men and the operators could not be settled, the Government would take over the mines and operate them for the benefit of the people. I should like to know whether this is correct, and what action the Government purposes taking.

Hon. T. W. CROTHERS (Minister of Labour): The representatives of the miners were in session in Calgary some five or six weeks, negotiating a new agreement. They finally came to an agreement, subject to ratification by the miners. It seems there is a certain provision in the constitution of the United Mine Workers of America whereby their representatives can only make a tentative agreement which becomes final on ratification by the miners. In this case the agreement was rejected by the miners by a large majority. The representatives of the miners then called a meeting of the local lodges to be held in Calgary last Thursday night, to decide what action should be taken, and so far as my information goes they have not yet reached a conclusion. I sent a message to the president of the organization on Saturday night, but have not yet received a reply, so I am not in a position to say what course they intended to take.

REMOVAL OF RAILS FOR USE IN FRANCE.

On the Orders of the Day:

Sir WILFRID LAURIER: I beg to call the attention of the Government to the following telegram which I have received:

Edson, Alta., May 12, 1917.

Sir Wilfrid Laurier,
Ottawa, Ont.

Proposal to dismantle Grand Trunk west of Edmonton would destroy town of Edson and large settlement north of Grand Trunk which Canadian Northern could not serve. There is no settlement on Canadian Northern which Grand Trunk does not serve. Townspeople have submitted facts to engineer but outside settlers only learning to-day that serious proposal is made, many of them sending telegrams to Drayton, Cochrane and Foster. Will try to get copies and mail same to you.

F. U. LAYCOCK.

May I ask the Government if they have received this complaint, and whether they intend taking any action to save this rising town?

Hon. FRANK COCHRANE (Minister of Railways): We received three telegrams this morning, but I do not know whether they were from Edson or not. We have a man

out there to see that no towns will be deprived of railway communication. The Grand Trunk Pacific rails were taken up in this case because we received a request for rails of the same pattern and boring as were sent over before.

SHORTAGE OF SALT FOR FISH CURING.

On the Orders of the Day:

Mr. A. K. MACLEAN (Halifax): I desire to refer for a moment to the question that was brought up the other day by my hon. friend from Guysborough (Mr. Sinclair) as to what arrangements the Government are making for securing tonnage for the transportation of salt from Mediterranean ports to ports in the Maritime Provinces. A serious condition is likely to prevail in the Maritime Provinces shortly on account of lack of the salt which is required in the fish business. In the Maritime Provinces 15,000 or 20,000 pounds of salt are required annually in the fish business, and it looks at the moment as if there will be great difficulty in securing the necessary supply. I would point out that Admiralty transports are frequently arriving at Halifax from Mediterranean ports without cargo. Many of them arrive with mud ballast, which must cost the ship money to load and unload. Many of these ships have been offered as high as 35 shillings a ton to bring salt to the maritime ports, but they have declined to do so.

It happened just recently that a ship left the Mediterranean in ballast, having passed quite close to a port where a cargo of salt might have been procured. The situation is extremely grave in the Maritime Provinces, for the reasons I have given. It seems to me that the matter is not being fairly dealt with by the Admiralty, or by some person who should exercise authority. There would seem to be no reason why ships coming from Mediterranean ports to the Maritime Provinces in ballast should not carry salt for which they receive very favourable freight rates indeed. I hope the Minister of Trade and Commerce (Sir George Foster) will be seized of the importance of the matter and will do everything possible to secure ships to carry salt.

Sir GEORGE FOSTER (Minister of Trade and Commerce): Everything that can possibly be done from this side has been done with that object in view. The authorities at home are fully seized of the necessities of this side, and the transport authorities are quite willing that vessels should bring salt to their ports of destination. But they can not be expected to waste too much time going distances in order to reach the points to which the salt is consigned. That is the only difficulty that intervened. The matter has been thoroughly represented; the Minister of Marine and Fisheries (Mr. Hazen) while in London has taken the matter up with the authorities themselves, and I have information that they are perfectly accordant with the idea and will in every case carry it out. There may be some difficulty with regard to freight rates, I do not know about that; but I imagine they are not unreasonable in the freights they charge.

SENTENCE ON A RECRUIT SUSPENDED.

On the Orders of the Day:

Mr. OLIVER: I desire to draw the attention of the Government to an item that appeared recently in an Ottawa paper as follows:

> George Shore, 131 Slater Street, who pleaded guilty before Magistrate Askwith to a charge of horse stealing was allowed to go on suspended sentence this morning when he produced attestation papers showing that he has been accepted for overseas service with the Canadian Engineers.

If I am not out of order I desire to say in my judgment this is neither in the interest of justice nor in the interest of military efficiency.

INQUIRIES FOR RETURNS.

Mr. J. H. SINCLAIR (Guysborough): I draw attention to the fact that a very large number of orders for papers which have been passed by the House, some over a year ago, have not been complied with. I looked over the book and found that no less than thirty-eight orders for papers passed in the year 1916 have not yet been fulfilled, and that a large number ordered this year are in the same position. For example, there is an order moved for by myself and passed by this House on 31st January last, relating to the commandeering of Canadian ships. Another related to Orders in Council imposing restrictions on the Minister of Militia, and was passed by this House on 31st February last. I hope the ministers concerned will look into this matter and especially with regard to those returns ordered more than a year ago. In order to make the matter more definite, I will read a list of the returns ordered last year and not yet brought down:

Returns ordered by House of Commons in 1916 and not yet brought down.

Return Ordered by	Return relating to.	Order Passed.
Mr. Gauvreau	Employees of Department of Inland Revenue, 1911-16	Feb. 3.
Mr. Law	Disbursements of Ward Fisher, 1912, 1913	Feb. 3.
Sir Wilfrid Laurier	Correspondence in re appointment Leon Roy	Feb. 7.
Mr. A. K. Maclean	Enlistment of Civil Servants	Feb. 7.
Sir Wilfrid Laurier	Expropriation of land of Joseph Griffin, Valcartier	Feb. 7.
Mr. Oliver	Field Kitchens	Feb. 10.
Mr. Sinclair	Persons of German or Austrian birth in employ of Post Office	Feb. 14.
Mr. Deslisle	Employees in Inside Service	Feb. 14.
Mr. Kyte	Tenders for clothing supplies, Militia Department	Feb. 21.
Mr. Macdonald	Men recruited for the Navy	Feb. 23.
Mr. Sinclair	Number of employees in Post Office Department at specified dates	Feb. 23.
Mr. Ethier	Employees in Militia Department	Feb. 28.
Mr. Ethier	Number of French Canadians enlisted in each province	Feb. 28.
Mr. Deslisle	Buildings leased by Government	Feb. 28.
Mr. Carvell	Payment of money at Amherst by Militia Department	March 1.
Sir Wilfrid Laurier	Expropriations at Valcartier	March 1.
Sir Wilfrid Laurier	Correspondence with Mr. Arthur Hawkes in re Report on Immigration	March 1.
Mr. Lanctot	Lawyers in the province of Quebec entrusted with cases	March 1.
Mr. Murphy	Toronto Harbour Works correspondence	March 1.
Mr. A. Chisholm	Margaree River mail route	March 6.
Mr. Paquet	Lawyers employed in province of Quebec	March 6.
Mr. Macdonald	List of Canadians employed in England	March 13.
Mr. Copp	Conductors on the Intercolonial Railway	March 20.
Mr. Fortier	Sessional clerks	March 20.
Mr. Pacaud	Mail contracts in county of Dorchester	March 27.
Mr. Copp	Cost of military barracks at Amherst	March 29.
Mr. Turriff	Post Office clerks in Outside Service	April 12.
Mr. Turriff	Clerks in the Department of Railways	April 12.
Mr. Ethier	Rural Mail Delivery, Two Mountains	April 19.
Mr. Sinclair	Medical Officers of Militia Staffs in Nova Scotia.	April 19.
Mr. Oliver	Squatters rights, Banff Hot Springs	May 1.
Mr. McCrea	Embargo Tan Bark	May 1.
Mr. Graham	Lease of Militia department for building in North Bay	May 1.
Mr. Michaud	Correspondence re Antoine Lavesque, Edmundston	May 1.
Mr. Devlin	Correspondence re Post Office at Aylmer	May 1.
Mr. Turgeon	Dismissal of Augustin D. Lanteigne	May 8.
Mr. Lanctot	Re Statutory Holidays	May 15.
Mr. Lanctot	Promotion of civil servants	May 15.

I am going by the record in the book kept in the record office, which shows that no return has been made to any of this long list of motions that were moved and passed in 1916. I hope the matter will receive the attention of the various departments. There may be some returns which have been made since this list was prepared—I am not sure—but I know a good many have not been returned of which I have personal knowledge.

Mr. McCRANEY: On the 31st of January this year I moved for a return of the correspondence connected with the exemption from military service of the Doukhobors, and also the correspondence in connection with the withdrawal of the Northwest Mounted Police from Alberta and Saskatchewan. I would direct the attention of the Government to these returns, and I would ask that they be brought down as soon as possible.

Mr. OLIVER: I mentioned the other day that it had been stated in the press that the reply of Dr. Bruce to the report of the Babtie Commission had been placed in the hands of the Minister of Militia. I wish to know if it will be laid before the House, if so, how soon, and will it be printed?

Sir EDWARD KEMP: In answer to my hon. friend from Edmonton (Mr. Oliver), I may repeat what I said a week or two ago in the House. Dr. Bruce wrote me a letter saying that he had mailed or sent his reply to the Babtie report. His letter did not bear any date, nor was it made clear by the letter where he mailed it from. But the report itself, which he said in his letter he had sent, has not reached the department. The moment it reaches the department I will have it laid on the table of the House.

PRIVATE BILLS.

THIRD READING.

Bill No. 10, to incorporate the Grand Lodge of the Canadain Association of Stationary Engineers in the Dominion of Canada.—Mr. Fripp.

GRAND TRUNK PACIFIC BRANCH LINES COMPANY.

House in Committee on Bill No. 41—Mr. Blain in the Chair—respecting the Grand Trunk Pacific Branch Lines Company—Mr. J. A. Currie.

On section 2—extension of time for completion of certain authorized railways:

Sir WILFRID LAURIER: I am very pleased to see in the House my hon. friend from Simcoe (Mr. Currie), who is in charge of this Bill and who takes an interest in the Grand Trunk Pacific railway. These lines mentioned in the Bill are intended to be feeders of the Grand Trunk Pacific. Is my hon. friend aware that at the present time the Government are dismantling the Grand Trunk Pacific and destroying it east and west? Since my hon. friend takes an interest in the road, I hope he will see that the Government do not carry any further their nefarious operations, but keep up the railway. Otherwise these branches if built will be of no use.

Mr. GERMAN: As this Bill, if passed, will very largely affect the railway situation as reported on by the Royal Commission appointed some time ago to investigate the whole railway and transportation situation in Canada, I think we should know from the minister whether or not he has considered the majority and the minority reports made by the Royal Commission, and if he is prepared to inform the House whether or not he will advise the adoption of either of those reports; and if not what the Government propose to do in connection with the railway situation in Canada, which is certainly in a very serious condition, to my mind a very dangerous condition, in relation to the best interests of Canada. I think that, at least before this Bill is read the third time, we should hear from the minister the policy of the Government, as this Bill gives the Grand Trunk Pacific Company further large powers for building branch lines, many of which will come directly into competition with branch lines of the Canadian Northern in that locality. The majority of the Royal Commission recommend that the Government should acquire both of those railway systems and thereby do away with the necessity of duplicating these branch lines. Before anything further is done in regard to the construction of branch lines, I think we should know what views the Government have, if they have yet arrived at a conclusion in the matter, and what is likely to be done to alleviate the very serious railway situation in Canada.

Mr. COCHRANE: I beg to say that I have read both the majority and the minority reports, and an announcement will be made in the House very shortly of what we propose to do.

Mr. CURRIE: I was asked to take charge of this Bill, having had charge of some of these Bills before for the Grand Trunk Railway. I recognize the force of the remarks of the right hon. leader of the Opposition (Sir Wilfrid Laurier). At the same time, as the Government are going to bring down a policy on the railway situation very shortly, I hardly think that policy should be discussed in connection with this Bill. So far as I know, no action is going to be taken by the Government. These charters are expiring and this company comes to this honourable House and asks the House to renew them. A large sum of money is involved even in the passing of this Bill. I am well aware that the roads referred to here are perhaps not in as good a position financially as they might be. All of these matters, however, are questions beyond the scope of this Bill, and all I can do is to ask the House to pass the Bill. Should the Government see fit to take over the road before this Bill reaches its third reading, I am satisfied the House will remit the fees to the Grand Trunk Company, and that no further action will be taken. All I can do as promoter of the Bill is to forward it in good faith to the company that asks us to renew it.

4 p.m.

Sir WILFRID LAURIER: I did not make these remarks with any view of opposing

the Bill; on the contrary, I am quite in sympathy with it, and with the building of branch lines of the Grand Trunk Pacific railway. I still believe it is a good enterprise. What I had in mind was to enlist the sympathy of my hon. friend, who is a supporter of the Government, and to ask him to see that they did not dismantle and destroy that property which he is now asking us to make better and more useful. My hon. friend is aware that in the East the Grand Trunk Pacific railway has been largely damaged and destroyed. The grades have been destroyed, and now the rails are being taken up from the sidings. In the West the rails are being taken up from the main line. If the road is further subjected to this process of destruction, it will not have the same value. Therefore it is that I urge on my hon. friend to do all in his power to prevent that process going any further, and to see that the Government keep the Grand Trunk Pacific Railway going. I hope that my appeal has not fallen on deaf ears.

Mr. CURRIE: My hon. friend's remarks have not fallen on stony soil, I can assure him.

Section agreed to.

Bill reported.

QUESTIONS.

Questions answered orally are indicated by an asterisk.

INTERCOLONIAL RAILWAY—ACCIDENTS.

Mr. BOULAY:

1. How many accidents have taken place causing damages on the Intercolonial Railway between Campbellton and Montreal, from January 1 to April 1, 1917?

2. What was the amount of damages in each case?

3. What was the cost of taking the snow away from the cuts of Métis and St. Fabien, Rimouski County, in the winters of 1915-16 and 1916-17?

Mr. COCHRANE:

1. Thirty-nine.

2. See list filed with the Clerk of the House.

3. Metis Cut, winter 1915-16, $352.05; winter 1916-17, $286.16; St. Fabien Cut, winter 1915-16, $2,098.56; winter 1916-17, $5,197.24.

NATIONAL SERVICE CARDS.

Mr. PARDEE:

1. What number of names has the National Service Commission received in answer to cards sent out?

2. How many of these names are classified as military, agricultural, shipbuilding, and munitions prospects, respectively?

[Sir Wilfrid Laurier.]

3. How many are engaged in work that is regarded as non-essential in war times?

Sir GEORGE FOSTER:

1. 1,549,360.

2. A. Military. (a) Ages 17 to 30, single, no dependents, 58,897. (b) Ages 17 to 30, single, no dependents, but engaged in agriculture, shipbuilding, munitions and mining, 40,185. (c) Ages 31 to 45, single, no dependents, 13,624. (d) Ages 31 to 45, single, no dependents, but engaged in agriculture, shipbuilding, munitions and mining, 11,525. (e) Ages 17 to 45, single, with dependents, 50,675. (f) Ages 17 to 45, married, with dependents, 92,469. (g) Ages 17 to 45, married and single, with dependents, but engaged in agriculture, shipbuilding, munitions and mining, 97,095. Total military prospects, of which 40 per cent are engaged in agriculture, shipbuilding, munitions and mining, 364,470.

B. Agricultural.—The entire male population might be considered agricultural prospects. No special classification.

C. Shipbuilding.—184 persons gave their trade as shipbuilders and indicated that they were not now engaged in working at that trade.

D. Munitions.—3,010 persons stated they were toolmakers, toolsetters and millwrights not engaged on munition work. Many have been so employed since they forwarded their cards.

3. Under the terms of Orders in Council already laid upon the Table of the House, each Director of National Service is authorized to determine whether or not in any particular case the services of an individual are more important to the State in a civil than military capacity. Having regard to this provision, no effort has been made up to the present to determine what work may or may not be regarded as non-essential. The circumstances of each particular case have been considered as occasion necessitated.

GOVERNMENT RAILWAYS—PURCHASE OF CARS.

Mr. GRAHAM:

Was duty paid on the 595 cars which the Minister of Railways says were purchased by the Canadian Government from the United States since January 1, 1916?

Mr. COCHRANE: Of the 595 cars purchased by the Canadian Government from the United States since January 1st, 1916, the following have been delivered and duty paid thereon: 1 day coach, 2 baggage cars, 1 diner, 1 tourist, 1 diner.

Duty will be paid on the balance of the cars as they arrive.

Mr. GRAHAM:

In reply to a question, the Minister of Railways informed the House that there had been purchased in the United States for the use of the Canadian Government railways since 1916, 500 coal cars, 18 tourist cars, 2 baggage cars, 50 sleeping cars, 23 first-class and 2 mail and express cars. What was the total cost of these cars?

Mr. COCHRANE: The following is a statement of the total cost of the equipment referred to in the above question:

Number.	Class of Car.	Price.
500	Coal	$217,500
10	Diners	61,500
18	Tourists	22,500
23	First-class	45,700
2	Baggage	3,000
2	Mail and express	4,000
50	Sleeping	85,500
605		$439,700

THE STEAMER COURCELETTE.

*Mr. LEMIEUX:

1. How much was paid by the Government for the new steamer Courcelette, used by the Harbour Commission of Quebec?
2. Who purchased said steamer?
3. Was there any commission paid?
4. If so, how much?
5. From whom was said steamer purchased?

Sir GEORGE FOSTER:

1. $27,000.
2. Quebec Harbour Commission.
3. No.
4. Answered by No. 3.
5. The Canadian Salvage Association.

THE STEAMER BELL.

*Mr. LEMIEUX:

1. How much was paid last year by the Quebec Harbour Commission for the use of the steamer Bell?
2. How many days was the Bell so used by the Harbour Commission, and why was it used?

Sir GEORGE FOSTER:

1. $630.

2. 15 days, pulling pontoon off ways, handling grain elevator, putting tug Diver on ways, etc.

DEATH OF PTE. J. F. MITCHELL.

*Mr. LEMIEUX:

1. Has the attention of the Government been called to the following despatch which appeared in the Evening News of Montreal, on Wednesday, March 28, 1917:—

Wet Canteens Responsible.

London, March 27.—In the House of Commons last night, Mr. Macpherson said an inquiry was being held into the death of Pte. J. F. Mitchell, aged twenty, a Canadian, from alcoholic poisoning in a Surrey camp. A private member protested against drink temptations being put in the way of young Canadians in camp. Mr. Macpherson said that wet canteens were introduced in camps at the request of the Canadian authorities.

2. Are the alleged facts herein stated correct?

Sir EDWARD KEMP:

1. Yes.

2. Depositions at coroner's inquest show clearly that any liquor which Pte. J. F. Mitchell may have received was obtained and drunk at public house two miles from camp where Mitchell was quartered.

The General Officer Commanding Canadians, in October, 1914, believing that it would be more in the interest of Canadian soldiers to have the sale of intoxicating drinks under better control, sent a despatch to the War Office containing the following:

"I have just arrived back from Plymouth and find that it is absolutely necessary that there should be canteens for the sale of beer in camp. The men, as I anticipated, finding no liquor in camp canteens, go to the neighbouring villages and get bad liquor."

MR. J. T. ROBINSON.

Mr. TURRIFF:

1. Who recommended J. T. Robinson, of Kamloops, B.C., as a recruiting officer?
2. When was he appointed?
3. To what regiment was he attached?
4. What rank did he hold?
5. How long did he hold the position?
6. How much money did he receive for pay, allowances and expenses, respectively?
7. What results did he achieve?

Sir EDWARD KEMP:

1. J. T. Robinson was appointed January 29, 1916, upon instructions of the Minister of Militia and Defence.

2. Date of appointment—January 29, 1916.

3. Recruited for 172nd Battalion and other units.

4. Held rank of Honorary Captain, Canadian Militia.

5. Held appointment until August 2, 1916.

6. Pay and allowances of his rank, $824.25; travelling expenses, $104.70.

7. It is impossible to tabulate the exact results obtained by regimental recruiting officers. Captain Robinson was employed on general recruiting work for the battalion, organizing recruiting meetings and concerts. There is no doubt that he obtained a considerable number of recruits for the battalion through the meetings and concerts which he organized, and also through his personal influence.

COLONEL JOSEPH GLEN.

Mr. CRUISE:

1. What amount, if any, has been paid by the Government to Colonel Joseph Glen, who crossed to England from Saskatoon with the 98th Battalion?

2. In what capacity is Colonel Glen now employed?

3. What amount, if any, has been paid to the family of Colonel Glen for separation allowance?

Sir EDWARD KEMP:

1. Pay and allowances of his rank, $4,091.35, up to date of sailing for overseas as officer commanding 96th Battalion, 26th September.

2. Lt.-Colonel Glen is serving with the 5th Reserve Battalion, in England, as a Lieut.-Colonel.

3. $1,562.

WESTERN SCHOOL LANDS.

Mr. BUCHANAN:

1. What is the value of the school lands in the Provinces of Saskatchewan, Alberta and Manitoba, respectively?

2. What amount in cash is held by the Dominion Government as proceeds from this fund, and what is the share of each province of this amount?

3. What is the amount of deferred payments to this fund, and what is the share of each province?

4. What is the total amount of school lands not sold in each province?

5. Has the Dominion Government been asked by any of the Provincial Legislatures to transfer to the province the entire control and administration of the School Lands' Fund?

6. If so, what action does the Government purpose taking?

Mr. ROCHE:

1. The approximate value of school lands in Manitoba is $63,948,800; in Saskatchewan, $84,210,000, and in Alberta, $77,986,000.

2. The principal moneys to the credit of the School Lands' Fund on the 31st of March, 1917, were as follows: Manitoba, $4,068,350.37; Saskatchewan, $3,891,343.21; Alberta, $3,099,222.01.

3. Statement being prepared.

4. The approximate area of school lands unsold in Manitoba is 7,321,000 acres; in Saskatchewan 7,703,420 acres, and in Alberta 7,114,147 acres.

5. Yes.

6. The matter is now under consideration.

INTERCOLONIAL RAILWAY—FREIGHT CARS.

*Mr. LEMIEUX:

Is the Department of Railways and Canals aware as to whether or not orders for goods and merchandise are refused by Montreal firms because the Intercolonial Railway is not sufficiently equipped with freight cars?

Mr. COCHRANE: The department is not aware of any shortage of cars in Montreal, in fact the department is advised by the general manager that the supply exceeds the demand at present and has done so for the past three weeks.

[Mr. Cruise.]

BEAR RIVER WHARFINGER.

Mr. CARVELL:

1. Who is wharfinger at public wharf, Bear river, N.S.?

2. When was he appointed, and at what salary?

Sir GEORGE FOSTER:

1. Mr. Arthur Dunn.

2. September 12, 1913; his remuneration is 25 per cent of the wharfage collections.

BEAR RIVER POST OFFICE SITE.

Mr. KYTE:

1. What amount has been spent on Post Office site, since purchased by the Government, at Bear River, N.S.?

2. What amount has been spent on said site since March 1, 1916, to May, 1917?

3. What are the names of persons employed and the respective amounts paid to them, and the dates on which they were paid?

Sir GEORGE FOSTER: Question requested to stand while information is being procured.

ST. ROCH TRAVERSE LIGHTKEEPER.

Mr. E. LAPOINTE:

1. Who was the lightkeeper in the upper end of St. Roch Traverse, in the county of L'Islet?

2. What date was fixed by the Department of Marine and Fisheries for the closing of said light in the fall of 1916?

3. Did the lightkeeper remain on duty until the said date?

4. If not, at what date did said light cease to be of any help to navigation in the fall of 1916?

Sir GEORGE FOSTER:

1. Alfred Fournier.

2. December 23.

3. No.

4. December 11.

OKANAGAN INDIAN RESERVE.

Mr. OLIVER:

1. How many acres of land, if any, were taken out of the reserves of the Okanagan Band of Indians, for the right of way of the Canadian Northern Railway?

2. How much money has been paid over by the railway for this right of way?

3. How has this money been distributed?

4. Have any individual Indians been paid any of this money?

Mr. ROCHE:

1. 56.29 acres were taken for the right of way of the Canadian Northern railway from the Okanagan Indian reserve, No. 1 of the Okanagan band; and 17.56 acres were taken from the Duck Lake Indian reserve, No. 7 of the said band.

2. $4,695.15 was paid for the right of way through the Okanagan Indian reserve No. 1, and $4,468 was paid for the right of way

through the Duck Lake Indian reserve No. 7.

3. Okanagan Indian reserve No. 1, of the $4,695.15 received $475.96 was placed to the credit of the trust funds of the band, and $4,219.19 was paid to individual Indians for improvements. Duck Lake Indian reserve No. 7, of the $4,468 received $2,043.90 was placed to the credit of the trust funds of the band, and $2,424.10 was paid to individual Indians for their improvements. 50 per cent of the $2,043.90 was distributed among the Indians by the Indian agent, and all moneys received on account of improvements were paid by the department direct to the individual Indians entitled thereto.

4. Payments for improvements on the Okanagan Indian reserve were divided among the following individual Indians:

Herman Gregoire	$ 752 50
Joseph Jimmy	703 19
Alexander Chilahitsa	2,763 50
	$4,219 19

Payments for improvements on the Duck Lake Indian reserve were divided among the following individual Indians:

Victor Boary	$ 900 00
George Alexis	542 50
Mrs. Christina McDougall..	570 00
Enoch Abraham	411 60
	$2,424 10

Mr. OLIVER:

1. Was Gaston Louis removed from his position as Chief of the Okanagan Band of Indians? If so, why?
2. By whom was he deposed, and for what reason?
3. Who has been appointed the Chief in place of Gaston Louis?
4. How was this appointment made?

Mr. ROCHE:

1. Yes. For his tendency to permit disorder on the reserve; unfairness in his dealings with other Indians; having, without the consent of the band and of the department, taken upon himself to allot land in the reserve to outsiders; obstructing constables in the discharge of their duties on the reserve, and for insubordination.

2. By the Governor in Council for the reasons given in answer No. 1.

3. No appointment has been made.

Mr. OLIVER:

1. Did the Department of Indian Affairs sanction the lease of a part of the reserve of the Okanagan Indians, known as Alexander ranch, to Dr. Henderson, veterinary surgeon, of Armstrong?
2. If so, how many acres were included in this lease?
3. What was the annual rental arranged for?
4. Did Dr. J. A. J. McKenna subsequently report that the granting of this lease was not for the benefit of the Indians?
5. Has the lease since been cancelled?

Mr. ROCHE:

1. Yes.
2. About 2,000 acres.
3. $200 per annum, and seeding down to alfalfa all of the lands suitable for such cropping.
4. Yes.
5. Yes. Cancellation to take effect 15th October next, after Dr. Henderson has harvested his crop of wheat.

Mr. OLIVER:

1. Was Dr. J. A. J. McKenna instructed to make a full investigation of the affairs of the Okanagan Agency?
2. If so, did he make an investigation?
3. If so, was the investigation by Dr. McKenna still going on when he retired from the Government service?
4. Who has taken up the investigation since Dr. McKenna retired?
5. What instructions were given to Dr. McKenna's successor?

Mr. ROCHE:

1. Yes.
2. No.
3. No.
4. Chief Inspector W. E. Ditchburn.
5. To inquire into the affairs of the Okanagan Agency.

MATAPEDIA PUBLIC HIGHWAY.

Mr. MARCIL:

1. How much has been expended on the Matapedia public highway in the Matapedia valley, Quebec, to date?
2. Who was in charge of this work in Rimouski county, and what amount was paid him?
3. Is the work completed?
4. If not, is anything to be done this year?
5. What was the respective mileage in Rimouski and Bonaventure counties in which work was done, and what amount was expended in each county?
6. Who was in charge of the work in Bonaventure county?

Sir GEORGE FOSTER: Question requested to stand while information is being secured.

STEAMER ELAINE.

Mr. MARCIL:

1. How many passengers and tons of freight were carried by the steamer Elaine between Campbellton and Paspebiac, and from Paspebiac to Gaspé and vice versa, in 1916?
2. Does the Government intend to have this service put into operation earlier this year than in 1916?
3. If so, at what date?

4. Is the Government satisfied that last year's service was satisfactory?

5. At what intermediate points will the Elaine call this year?

Sir GEORGE FOSTER:

1. The traffic between intermediate points is not given. The returns only show traffic between the terminal ports, that is, Campbellton and Gaspé, as follows: 145 passengers; 536 tons freight.

2. Yes.

3. A contract stipulating for a service to commence on the 15th May, 1917, has been forwarded to the contractor for signature, but has not yet been returned.

4. Yes, while in operation.

5. Dalhousie, Carlton, Maria, New Richmond, St. Charles de Caplan, Bonaventure and New Carlisle; Paspebiac, St. Godfroi, Port Daniel, L'Anse au Gascon, Newport, Pabos Mills, Little Pabos, Grand River, Little River East, Cape Cove, Perce, Barachois de Balbaie, Balbaie, Douglastown and Grande Grève.

HANTS COUNTY APPLE INSPECTORS.

Mr. PROULX:

1. Who are the apple inspectors in the County of Hants, N.S.?

2. What salary has been paid per year to each inspector?

3. What amount has been paid to each inspector for expenses in each year since his appointment?

Mr. BURRELL:

1. S. C. Dimock, Windsor, inspector; Albert Armstrong, Falmouth, inspector; Frank Toomey, Windsor, assistant inspector; Thos. Archibald, Ellerhouse, assistant inspector.

2 and 3. Messrs. Dimock and Armstrong were paid at the rate of $125 per month, and Messrs. Toomey and Archibald at the rate of $50 per month during the period of their employment. They were employed during the following periods and the amount of their expenses each year were:

Year.	Period.	Amount of Expenses.
S. C .Dimock—		
1913-14	Sept. 1 to March 14	$315.10
1914-15	Sept. 1 to March 31	228.59
1915-16	Sept. 1 to March 31	274.34
1916-17	Sept. 1 to March 31	227.64
Albert Armstrong—		
1914-15	Sept. 1 to March 31	$373.05
1915-16	Sept. 1 to March 31	319.28
1916-17	Sept. 1 to March 31	315.42
Frank Toomey—		
1913-14	Sept. 8 to March 14	$188.00
1914-15	Sept. 1 to Feb. 28	160.50
1915-16	Sept. 15 to March 31	203.83
1916-17	Sept. 15 to March 15	323.62
Thos. Archibald—		
1913-14	Sept. 8 to March 31	$205.00
1914-15	Sept. 1 to Feb. 28	265.70
1915-16	Sept. 15 to March 31	298.90
1916-17	Sept. 15 to March 31	427.25

WINDSOR TRIBUNE BUILDING.

Mr. PROULX:

1. What amount, if any, has been paid the owners of the Windsor Tribune building, Windsor, N.S., for rent, by the Militia Department?

2. What amount, if any, has been paid to the Windsor Tribune for printing and advertising since 1911, to March 31, 1917?

Sir EDWARD KEMP:

1. Rent, $330.

2. Advertising and printing, $20.25.

WINDSOR, N.S., WHARF.

Mr. PROULX:

1. Was a contract for building a wharf at Windsor, N.S., and dredging, made with W. Shaw? If so, when?

2. How much, if any, has been paid said Shaw on such contract?

3. Has it been cancelled?

4. If not, is it to be carried out?

Sir GEORGE FOSTER:

1. No contract for a wharf, but a contract was made in 1915, with Mr. W. W. Shaw to remove 5,000 cubic yards of material at 54 cents a yard.

2, 3 and 4. The work was completed and Mr. Shaw was paid the sum of $2,085.29.

VALLEY RAILWAY.

Mr. CARVELL:

1. Has the Department of Railways and Canals taken any steps since April 1, 1916, towards the construction of a bridge across the St. John river at or near Andover, in connection with the Valley Railway so-called?

2. If so, how much has been expended thereon?

3. Is it the intention of said department to commence construction of said bridge during the present fiscal year?

Mr. COCHRANE:

1. No.

2. Answered by No. 1.

3. No.

F. C. McNEILL.

Mr. CARVELL:

1. What amount, if any, has been paid to F. C. McNeill, of St. John N.B,, for services of steamer Lillie in connection with the quarantine or other services during the fiscal year ending March 31, 1917?

2. At what rate per month was he paid?

3. Is he the owner of the said steamer or is it hired by him from other parties?

4. If so, from whom, and what rental does he pay therefor per month?

Mr. BURRELL:

1. $6,300.

2. $900 per month.

3. There is no information in the department as to whether Mr. McNeill is the owner of the said steamer Lillie or not.

4. Answered by No. 3.

VICTORIA BREAKWATER.

Mr. CARVELL:

1. What are the names and salaries of the inspectors now employed upon the Victoria breakwater at Victoria, B.C.?
2. (a) Who is the present resident engineer, and (b) what salary does he receive?
3. When were the services of the late resident engineer dispensed with?
4. Who is inspecting the fill now being deposited by the contractors, Grant Smith and Company?
5. Is a launch employed by the Government about the work?
6. If so, how much is being paid per month for the said service?
7. When was the said breakwater completed?

Sir GEORGE FOSTER:

1. No inspectors now employed.
2. (a) No resident engineer; work is under charge of Mr. C. C. Worsfold, District Engineer, New Westminster; (b) $3,000 a year.
3. Was suspended on March 8, 1916, and resigned in February, 1917.
4. The inspectors on the wharf are: H. Irvine, G. Penkett, F. J. Jones and F. W. Stubbs.
5. Yes.
6. Approximately $125 a month.
7. In January, 1917.

ST. MAURICE RIVER IMPROVEMENTS.

Mr. BUREAU:

1. What sums of money have been expended in construction of piers and improvements generally, during the years 1912, 1913, 1914, 1915 and 1916, on the St. Maurice river from its mouth to Grandes Piles station?
2. Are the St. Maurice works still under the control and management of the Government?
3. If not, why?

Sir GEORGE FOSTER:

1. Construction and improvements, $329,551.22; repairs, $5,844.66; maintenance, $226,266.86; $561,662.74, as follows:

	Construction.	Repairs.	Maintenance.
1912-13	$ 7,355.96	$5,383.69	$61,458.84
1913-14	68,861.71	313.57	45,058.70
1914-15	226,167.10	147.10	39,852.03
1915-16	13,915.59		40,995.86
1916-17	13,250.86		38,901.43
Total	$329,551.22	$5,844.66	$226,266.86

2. No.
3. They have been leased to the St. Maurice River Boom and Driving Co. for a period of three years, as this company is in a position to operate them more advantageously than the Government.

BRITISH GOVERNMENT WHEAT COMMISSION.

Mr. TURRIFF:

1. Who are the men acting as Commissioners for the British Government in the purchase of wheat in Canada?
2. Where is their headquarters?
3. Are they acting in connection with any department of the Government of Canada?

Sir GEORGE FOSTER: The Wheat Commission is an appointment of the British Government, has its headquarters in London, and is not acting in connection with any department of the Government of Canada.

THOMAS F. X. BERLINQUET.

Mr. BUREAU:

1. Is Mr. Thomas F. X. Berlinquet, of Three Rivers, in the employ of any of the departments of the Dominion Government?
2. If so, (a) in what department is he employed, (b) what are his duties, and (c) what salary does he receive?
3. In what district does he perform such duties?

Sir GEORGE FOSTER:

1. Yes.
2. (a) Department of Public Works, (b) Consulting Engineer, (c) $2,700 per annum.
3. District of St. Maurice.

QUESTIONS PASSED AS ORDERS FOR RETURNS.

*Mr. LEMIEUX:

1. Has the Government received a petition signed by a great many wives and mothers of Canada, belonging to the Women's Christian Temperance Union, protesting against the wet canteen being introduced at the camps overseas?
2. If so, what action has been taken by the Government as regards same?

Mr. LANCTOT:

1. Has the Minister of Militia or any of the authorities of the Militia Department, official statistics as to the recruiting of soldiers in Canada for overseas service?
2. If so, what are the correct figures of enlistments in the different overseas regiments raised since August, 1914, to date: (a) Canadians speaking the French language; (b) Canadians speaking the English language and born in Canada; (c) British subjects by birth born outside of Canada; (d) British subjects by naturalization; (e) French Canadian soldiers in regiments commanded by officers speaking the English language raised in the Province of Quebec; and (f) French Canadian soldiers in battalions raised in the other provinces of Canada?

Mr. A. K. MACLEAN:

1. How many permanent civil servants or officials were in the employ of the Department of Finance on the 10th day of October, 1911, and how many on the 31st March, 1917?
2. How many temporary civil servants and employees of all kinds were in the employ of the said department on the 10th day of October, 1911, and how many on the 31st of March, 1917?
3. How many permanent civil servants or officials were appointed by said department since 1st of August, 1914?
4. How many temporary civil servants and employees were employed by said department since August 1, 1914?

CROSS POINT, QUEBEC WHARF.

Mr. CHARLES MARCIL:

1. From whom was the timber and lumber, used on the Cross Point, Quebec wharf, purchased since 1912?
2. Were tenders called for?
3. If so, was the contract awarded to the lowest tenderer? If not, why not?
4. Who was the foreman of this work, and how much was he paid in all and per diem?
5. What rate of wages were paid to the labourers employed?
6. What was the total value of such timber and lumber so purchased for this work since 1912?

Sir GEORGE FOSTER: Question requested to stand while information is being secured.

UNOPPOSED MOTIONS FOR PAPERS.

Mr. J. J. HUGHES:

For a copy of the correspondence between the Prime Minister and the ex-Minister of Miltia and Defence, which led to the latter's resignation or dismissal from the Government.

Mr. BUCHANAN:

For a copy of all letters, reports, communications and documents passing between the Minister of Labour and the Department of Labour and the officials of District No. 18, United Mine Workers of Alberta, and the officials of the Alberta and Eastern British Columbia Coal Operators' Association, concerning the requests made by the Miners for an increase in wages due to the increase in the cost of living, between September 1, 1916, and the present time.

Mr. CHISHOLM:

For a copy of all letters, petitions, correspondence, telegrams and reports received by the Government since September, 1911, to the present day, in any way referring to the dredging and building of piers at Mabou Harbour.

Mr. CHISHOLM:

For a copy of all letters, petitions, correspondence, telegrams and reports received by the Government since September, 1911, to the present day, in any way referring to the extension and repairs to Finlay Point Wharf.

Mr. CHISHOLM:

For a copy of all letters, petitions, correspondence, telegrams and reports received by the Government since September, 1911, to the present day, in any way referring to the Port Hood Wharf.

Mr. CHISHOLM:

For a copy of all letters, petitions, correspondence, telegrams and reports received by the Government since September, 1911, to the present day, in any way referring to the extension of the pier at Margaree Harbour.

Mr. CHISHOLM:

For a copy of all letters, petitions, correspondence, telegrams and reports received by the Government since September, 1911, to the present day, in any way referring to the breakwater at Margaree Harbour.

[Mr. A. K. Maclean.]

Mr. CHISHOLM:

For a copy of all letters, petitions, correspondence, telegrams and reports received by the Government since September, 1911, to the present time, in any way referring to the opening of Inverness Harbour.

Mr. CHISHOLM:

For a copy of all letters, petitions, correspondence, telegrams and reports in any way referring to dismissal, retirement or resignation of John McDonald, as janitor of public building at Inverness, and the appointment of his successor.

Mr. CHISHOLM:

For a copy of all letters, petitions, correspondence, telegrams and reports in any way referring to the dismissal or retirement of D. McDermid, Superintendent of Fish Hatchery at East Margaree, and the appointment of his successor.

Mr. CHISHOLM:

For a copy of all letters, correspondence, petitions, telegrams and reports between the Minister of Marine and Fisheries and any person or persons in any way referring to the removal of the salmon nets on that portion of the coast of Inverness extending east and west from the mouth of the Margaree River.

Mr. GAUVREAU:

For a copy of all communications, letters, reports, petitions and other documents on behalf of the Physicians and Medical Associations of this country, asking for the repeal of The proprietary or Patent Medicine Act and the presentation of a new Act on the matter in order to render more efficient the control of these medicine preparations, and to add on the prohibition list such drugs or medicines as are generally dangerous to health and conducive to certain criminal practices.

Mr. CHISHOLM:

For a copy of all letters, petitions, correspondence, telegrams and reports received by the Government since September, 1911, to the present day, in any way referring to the wharf at Marble Mountain.

Mr. CHISHOLM:

For a copy of all letters, petitions, correspondence, telegrams and reports received by the Government since September, 1911, to the present day, in any way referring to the extension and repairs to Craignish Wharf.

Mr. CHISHOLM:

For a copy of all letters, petitions, correspondence, telegrams and reports received by the Government since September, 1911, to the present day, in any way referring to the extension and repairs to McKay's Point Wharf, Inverness County.

Mr. CHISHOLM:

For a copy of all letters, petitions, correspondence, telegrams and reports received by the Government since September, 1911, to the present day, in any way referring to the appointment of a man in charge of the storm signals at Grand Etang and Margaree Harbour.

Mr. CHISHOLM:

For a copy of all letters, petitions, correspondence, telegrams and reports between the Department of Public Works and the Department of Marine and Fisheries, and any person or persons, since September, 1911, to the present day, in any way referring to the appointment of a Wharfinger at Margaree Harbour.

Mr. CHISHOLM:

For a copy of all letters, petitions, correspondence, telegrams and reports between the Post Office Department and any person or persons since September, 1911, to the present day, in any way referring to the Postmasters at Friar's Head and Friar's Head Chapel.

Mr. COPP:

For a copy of all letters, telegrams and reports between the Department of the Naval Service or the Department of Marine and Fisheries, and any and all persons in connection with the seizure of certain fishery boats, fishing tackle and equipment being used in the illegal fishing of lobsters in the Straits of Northumberland in the fall of 1916, together with a copy of the evidence taken before one M. G. Teed, Esquire, acting as a commissioner to inquire into this matter, and his report and finding thereon.

Mr. SINCLAIR:

For a copy of all petitions, correspondence, reports and other papers and documents in the possession of the Post Office Department dated since September 1, 1916, relating to the changing of the mail service between James River, in the County of Antigonish, Nova Scotia, and Aspen, Guysboro county, N.S.

Mr. CARVELL:

For a copy of all papers, letters, telegrams, accounts, vouchers and cheques in connection with the repairs to the Salmon River Viaduct, on the National Transcontinental Railway in New Brunswick.

Mr. McCRANEY:

For a copy of all letters, telegrams, reports and all other documents relating to the payment of $215.30, made to Wm. Badger, of Outlock, Saskatchewan, for relief work and seed grain in the years 1914 and 1915.

Mr. McCRANEY:

For a copy of all letters, telegrams, reports and all other documents relating to the payment of $112, made to F. H. Forgie, Elrose, Saskatchewan, for relief work and seed grain in the years 1914 and 1915.

Mr. CHISHOLM:

For a copy of all letters, petitions, correspondence, telegrams and reports of all kinds in any way referring to the dismissal of the postmaster at Centreville East, N.S., and the appointment of a successor.

Mr. GRAHAM:

For a copy of the judgment delivered by Mr. Justice Cassels on the 24th day of January, 1917, in the matter of fixing the price to be paid by the Government for the Quebec, Montmorency and Charlevoix Railway; the Quebec and Saguenay Railway, and the Lotbinière and Megantic Railway, under the statute of last session, Chapter 22, 6-7 George V.

CRIMINAL CODE AMENDMENT—DIVORCED PERSONS.

On Notices of Motions being called:

Hon. WM. PUGSLEY (St. John): Before proceeding to Notices of Motions, I would like pro forma to have Public Bills and Orders called for the purpose of making a formal motion for a committee to consider Bill No. 4. This was the understanding with the Minister of Justice, and no doubt my hon. friend the Solicitor General is aware of the circumstances. It was understood when this Bill was given its second reading that it would go to a special committee.

The House proceeded to Public Bills and Orders and went into committee on Bill No. 4, to amend the Criminal Code (Mr Pugsley), Mr. Rainville in the Chair.

Mr. PUGSLEY: I beg to move:

That a select committee of seven members of this House be appointed by Mr. Speaker to whom shall be referred Bill No. 4 to amend the Criminal Code, the duty of which committee shall be to consider the provisions of the said Bill and report its opinion thereon to this House, together with such amendments, if any, as the said committee may deem it desirable to make thereto.

Mr. MEIGHEN: I am aware that it was the desire of the Minister of Justice that this Bill be referred to a committee. I presume that the wording of my hon. friend's motion is the usual wording for reference to a special committee.

Mr. PUGSLEY: Yes.

Mr. MEIGHEN: Then I have no objection to the motion carrying. I do not think the members of the committee have been discussed yet. I think that was left over for the Minister of Justice?

Mr. PUGSLEY: Quite so. Perhaps the Minister of Justice will suggest some names.

The House resumed and proceeded to Notices of Motions.

VOTES FOR OVERSEAS SOLDIERS.

PROPOSAL TO ENFRANCHISE EVERY MAN ENLISTED IN CANADA.

Mr. MICHAEL STEELE (South Perth) moved:

That, in the opinion of this House, the Government should introduce legislation at this Session which will extend the franchise to every British citizen who enlisted with the Canadian Forces for Overseas Service, and who was a resident of Canada at the time of enlistment.

He said: Mr. Speaker, matters relating to suffrage are always of considerable in-

terest, not only to Parliament, but to the country generally. Some one has said that the destruction or salvation of states depends upon the matter of regulating the suffrage. For that reason I think it very important at this time to have the matter discussed and dealt with by this House which is referred to in the resolution I have the honour of proposing. The main object of this resolution is to grant the suffrage to all soldiers who are under twenty-one years of age, and thus to put them on a parity with all others who are fighting for our country. From the days of ancient Greece and Rome, when suffrage was first introduced, there has been a gradual extension of the privilege, being at first very restricted, but gradually growing wider and wider as the years have passed. All countries, however, still have their restrictions on suffrage. For instance, every country requires that the voter shall be a subject or citizen of the country in which he votes. Also, that every voter shall be a resident of the country. Many countries still retain the property qualification, limiting the suffrage to those citizens who possess a certain amount of property. All countries, I think, have an age qualification, although this varies much in the different countries. In Denmark the age at which one is first allowed to vote is 30 years; in Belgium, Japan and Norway, 25 years; Austria, 24 years; Hungary, 20 years. I think that in all other countries the age is fixed at 21 years. Other requirements are provided in various countries. Some countries, for instance, require that the voter shall be able to read and write. In some countries—and strangely, I think, although probably there is good reason for it, in three of our allies, Russia, Italy and France—soldiers are not allowed to vote at all, unless the law has been changed since the outbreak of the present war.

In general terms, granting the suffrage to any person presupposes that that person is possessed of sufficient intelligence to be able to give a vote which will be for the benefit of the country, and that he will bring sufficient knowledge and intelligence to bear on the process of voting to enable him to do that which is best for the country. It also presupposes that the voter has sufficient interest in his country's affairs to be willing to cast his vote and to cast it in a way in which he, at least, believes to be in the best interest of that country.

It seems to me, however, that while all these qualifications may serve a good purpose, and while some of them may be absolutely essential, at this day there is a higher qualification which has been established by the present war, and that qualification is the ability and willingness to give service to the state. I believe that we in Canada especially should add that qualification to the others which we have in force and that the suffrage should be granted to many of those who have shown their willingness and ability to serve the state, and especially those who are in our army to-day and are giving us such splendid service. It was these young men under twenty-one years of age, who at present by our Franchise Act are deprived of the privilege of voting, that I had specially in mind when introducing this resolution. The Soldiers' Voting Bill, passed in 1915, has this for its first clause:

> Every male British subject of twenty-one years of age or upwards serving in the military forces of Canada in the present war (hereinafter called "volunteer"), who, within six months immediately preceding the date when he was appointed to or enlisted in such forces, had been resident in any electoral district in Canada for a period of not less than thirty days, shall be entitled to vote in the electoral district in which he was last so resident in the manner hereinafter set out, notwithstanding his absence from such electoral district or from Canada: Provided that if any person was, at the time he was so appointed or enlisted, qualified to vote in any other electoral district in Canada, he shall vote in such other district only.

You will note that in that clause several restrictions which apply to other voters have been removed in the case of the soldier. For instance, the soldier who is twenty-one years of age or upwards may vote even though he is absent from the country, which the civilian is not allowed to do. He may vote notwithstanding that he has no fixed residence at the time of enlistment, and no civilian is allowed this privilege. So we see, by the Soldiers' Voting Bill some of those in the army were given special privileges which those not in the army do not enjoy. So, when I ask by this resolution that the franchise shall be extended to include others in the army, I am not proposing anything that is so very radical.

In 1915, there were few who thought that the needs of the war would be so great as they have proven to be. At that time, judging by the discussion in this House, it was generally thought that if Canada supplied 50,000 men she would not require to supply more. No person, I think I may safely say, thought that within two and a half years Canada would have an army of over 400,000 men. When we have such a large number enrolled in the overseas forces, it

means that there is a correspondingly large number of young men under twenty-one who are giving the best service to this country that it is possible to give, yet who are denied the privilege of taking part in the affairs of this country when they return home, or when an election shall come on. Among those who are twenty-one years of age, I think I may safely say, are some of the best boys Canada has produced. And not only that but I think I can well say that, accordingly to the view of our people, the Canadian boys under twenty-one years of age are equal in intelligence and ability to the young men of any other counry in the world. Amongst these are several thousand students from our colleges and universities, young men who cannot be said not to possess sufficient intelligence to be able to vote, or young men who take so little interest in the affairs of their country as to be disqualified from voting. I believe that these young men have all the qualifications, intellectual and other, that are required to make them voters of the very first class.

When the call came in 1914 for men to serve our country, there was no question then regarding the ability of boys under 21 years of age to serve. When the call came for men to protect our country, our homes our property and our lives, and to maintain the integrity of the British Empire and preserve the freedom of Canada, no person would stand up and say: We can not accept the services of any man under 21 years of age. Why should we apply that rule after they have fought and endured, and yea, sacrificed even their lives? Why should we apply that rule, after these men under 21 years of age have done such splendid service for their country, why should we say to them: You can have no further active participation in the affairs of this country. Many of them will not return, many of them will leave their bodies on Flanders fields, but large numbers will return to this country, large numbers will be residents of Canada, large numbers will be residents of the various electoral districts, every one of them will be British subjects, and how can we say to them: We are quite willing that you should fight for our land, we are quite willing that you should face the enemy, we admire what you have done at St. Julien, Courcelette, and Vimy Ridge, we give you all honour for your splendid services in France and on the continent of Europe, but we can not see our way clear to granting you the right and the privilege of marking the ballot when you return to Canada until you have become a year, or two years, or three years, older and until you have convinced us that you possess sufficient intelligence to mark that ballot properly. Is that the treatment that we are going to give these splendid boys to whom we are so deeply indebted when they return? I can not believe it is. These young men have assisted in making a new Canada. They have assisted in preserving the freedom of the institutions of Canada but they have also done splendid service in creating a nation that is going to be a new Canada. We are looking forward to greater opportunities and privileges among the nations of the world and we are looking forward to being a Canada with a history of sacrifice and heroism that will be a source of pride to our people for generations to come That Canada is possible partly as the result, at least, of the exertions, the efforts and heroism of the boys fighting in France today who are under 21 years of age, and this Parliament should not, say to these boys: We are indebted to you for the service you have performed there but we can not extend to you the rights of citizenship when you return home.

The next Parliament of Canada will have largely to deal with problems and questions which have been created by this war. It would be only fair and right that the men who have created the conditions which that Parliament will have to deal with should have the right to say who shall be the representatives of the Canadian people in the Parliament which has to deal with these problems which they, by their splendid efforts, have created. I think we should not say to these young men that we are willing that they should direct the bullets intended to destroy the enemy but we are unwilling that they should mark their ballots which will be the instruments by which the welfare of Canada shall be maintained for the next few years at least. Each man who has fought should have the right to say how the fruits of his efforts are going to be dealt with. For that reason I hope that this resolution will be passed and that the franchise will be extended to these young men. I believe they will exercise their franchise with at least as much intelligence as the average elector in the country, that they will exercise it with as deep an interest in the affairs of the country as the average elector will, and I would feel disposed to go further and say that they will be amongst the most intelligent and

the most interested young Canadians that we will have in this country.

Mr. J. H. FISHER (Brant): I have listened with great interest to the remarks on this resolution that have fallen from the lips of the hon. member for South Perth (Mr. Steele). I am glad to have the opportunity of saying a few brief words in support of the resolution, which I trust will commend itself to the House. In round numbers, probably 400,000 of the men of Canada have enlisted for active service overseas. A considerable percentage of this number is possibly composed of young men under the age of 21 years, who, therefore, are not entitled to vote. Many of these young men, some to my personal knowledge, had taken an active part in all matters relating to the welfare of Canada previous to their enlistment. In regard to their loyalty, there can be no question. The way in which they rushed to enlist at the beginning of the war makes it clear that every one of them is intensely loyal. Many have returned to this country maimed and wounded, many have laid down their lives, and many more to-day are fighting our battles in France. It seems to me that if there is any one class in this country who are entitled to a special right to be consulted, and to express their views on the affairs of this country at the present time, it is these young men who so willingly volunteered, and were ready to lay down their lives for their country. More particularly, it seems to me, at a time when we are confronted by great war problems—and after the war these problems will be even more difficult than they are now—should these valiant young patriots have some voice in the settlement of these questions. If they are old enough to fight, and if they are old enough, if need be, to die for their country, they are old enough to vote. These young men have matured, not by age, not by years, but by hard and bitter experience; and I think it would be a hardship of the worst kind not to allow them the right to exercise their franchise when they return to Canada.

The resolution as introduced by the hon. member for South Perth (Mr. Steele) includes all men of British birth who have enlisted for overseas service, and this, of course, includes the Indians in this country, who have again shown their loyalty by enlisting in large numbers from all parts of this Dominion. From the reserve of the Six Nations, in the county I represent, some 400 young Indians have enlisted. One of the first from the county of Brant to lay down his life for his country was a young Indian, Lieutenant Cameron Brant, a member of the 114th Regiment, and a direct descendent of the Great Indian chief, Joseph Brant, after whom the city of Brantford and the county of Brant are named. As you are aware, none of these Indians are now entitled to the franchise, and it seems to me that it would be a mere act of justice that those at least who have enlisted should be allowed the right to vote. But I would go further than this; I would say that the Government should, at a very early date, take into their earnest and serious consideration the matter of restoring the franchise to the Indians of this country, the franchise which was given to them by a former Conservative Government and which was taken from them by the late Administration for, possibly, some reason, but for what good reason I cannot imagine. I do know this, that there are no similar number of white men in this country or in any other country who would exercise the franchise more intelligently or more honestly than the Indians of the Six Nations reserve, and I believe that what I say in regard to the Indians of the Six Nations will apply also to the Indians of all other reserves in this country. I should be very glad to know that the full franchise was to be restored to them. But, in any case, I trust that the franchise will at least be given to those who have enlisted. I should like in this connection to apply to these brave young Indians who have gone forth to battle for the Empire, the words of the late gifted Indian poetess, Pauline Johnson, herself one of the Six Nations. In a poem composed by Pauline Johnson, the following words occur:

> Few of them have the blood of kings,
> And few are of courtly birth,
> But none are vagabonds or rogues,
> Of doubtful race and worth.
> And each has one credential,
> Which enables him to brag,
> He fought for right and Canada,
> And upheld the British Flag.

I should be remiss in my duty if I did not say a word in regard to the splendid work that has been done along patriotic lines by the Indian women on the reserve. I would simply say, in a word, that the work they have done has not been surpassed in any part of this Dominion, and I trust that when woman suffrage comes, as I have no doubt it will come, the Indian women on the Reserve will be accorded

5 p.m.

equal rights with their white sisters. They are well deserving of it, and I believe they will exercise the franchise just as well as the white women could or will. I am quite sure that this resolution of the hon. member for South Perth (Mr. Steele) will commend itself to the members of this House, and I also feel quite sure that the Government will give it their very earnest and careful consideration.

Mr. MICHAEL CLARK (Red Deer): Mr. Speaker, I should like, in a word, to put myself on record as being very heartily in favour of the resolution before the House. The qualification for voting in Federal affairs is that of manhood suffrage. We have an arbitrary method of defining the time at which a male reaches the point of manhood. I do not think that any of us would seek to apply that artificial method to the men who have gone to the front and say that there are men in the trenches from Canada who have not reached the age of manhood. I do not think that any one would deny the possession of manhood to every man who has voluntarily gone to fight for Canada at the front. So that if manhood suffrage be our test of the right to exercise the franchise, we certainly have men who, although they are not twenty-one years of age, have lived amply up to that qualification. I have not the slightest hesitation in giving adherence to the resolution, and I support it most heartily.

Mr. GEORGE A. ELLIOTT (Middlesex North): Mr. Speaker, I wish to join with the hon. member from North Brant (Mr. Fisher), and also the hon. member from Red Deer (Mr. M. Clark) in saying a few words of appreciation of the resolution introduced in this House by the hon. member from South Perth (Mr. Steele). I appreciate the meaning of the resolution more fully than I have words to express. When we take into consideration the fact that over 400,000 of Canada's sons have responded to the call for service for our King and country, and that many of them are under the age of twenty-one, we realize that these men, though under twenty-one years of age, should be entitled to the same privileges as other citizens of our land. When the British Government and the Canadian Government appealed to their subjects throughout the Empire and asked for volunteers, they called for men between the ages of eighteen and forty-five years; they fixed the minimum age at eighteen years. No doubt the authorities felt that many a young man under 21 throughout the Empire was just as fit physically and mentally to be a soldier as were older men. I believe that fully one-third of the men who enlisted in the Middlesex regiment from my county and who have gone overseas, are under twenty-one years of age. Many of our young men, as has been stated by previous speakers, have made the supreme, the greatest possible sacrifice. Some of them will never return to the land from which they went. I could, if I so wished, mention several mothers in the community in which I live who are to-day mourning the loss of their sons, many of them under twenty-one years of age. I remember well, during August of last year when our home regiment was leaving our county, that a great many people gathered at the station to bid our boys farewell. I can see at this moment the anxiety shown by those mothers and parents on behalf of their sons. I can also see them bidding their sons good bye—some of them for the last time—and sending them away with their good wishes and their prayers. I listened the other day with a great deal of regret to the remarks made by two or three members of the Opposition, in which they attempted to reflect upon the character and habits of those young men while in England and France. During the six years that I have had the honour of being in this Parliament, I have never appreciated anything more than the words of the hon. member for Red Deer (Mr. Michael Clark) when he said, a few days ago, that it was not for us as Canadian citizens who had stayed at home to dictate for a moment as as to what our boys should do. Would any member of the Opposition—indeed, any man in this House or out of it— dare to say to the mothers who had sent their boys of eighteen overseas—boys who had gone voluntarily; boys who had the spirit to go and fight for their country—that these young men were not entitled to the privileges which other men of Canada have?

I wish to say a word—I was glad that the member for Brant (Mr. Fisher) mentioned it—regarding the Indians of my county. In the county of Middlesex we have a number of Indians, many of whom were among the first to respond to the call for service overseas and a number of whom have laid down their lives for their country. For a number of years those men have not had the privilege of the franchise such as the rest of us enjoy. They are an intelligent race of Indians, having their schools and their institutes. They are capable; they

are good business men. An indication of their worth and their efficiency is found in the fact that although our reserve is a small one, nearly 100 of them have joined the colours and have gone overseas. I do think that those men should have the privilege of a franchise; I do think that they deserve it. We have in Canada many foreigners of all nationalities who really do not know anything about Canadian affairs or Canadian institutions and who, in a sense, are not helping to build Canada up or to make it great. They have not contributed to any extent to the different patriotic funds, nor yet have they enlisted. Yet these men, after they have lived in this country a certain length of time, are allowed to vote. Under the present Franchise Act our young men under 21 years of age cannot vote. Let me say, in conclusion, that I am perfectly in sympathy with this resolution. I believe that every man who has a uniform on, and is serving his country, though he be a boy in years, is entitled to the same privileges which the rest of us enjoy.

Mr. PUGSLEY: I am sure that the hon. member for Bonaventure (Hon. Charles Marcil) must feel extremely gratified because of the very strong expressions which have fallen from the lips of hon. gentlemen opposite this afternoon in reference to the extension of the franchise to all our soldier boys. The House will remember—you, Mr. Speaker, will especially remember—that on the occasion of the consideration of the Soldiers' Voting Bill the hon. member for Bonaventure and other members on this side of the House very strongly took the ground that any man who enlisted, whether he were under or upwards of 21 years of age, should be allowed the privilege of voting. The hon. member for Bonaventure contended that if the Canadian boy was fit to be a soldier and to go to the front; if he had sufficient maturity, physical and mental, to engage in the battle for the Empire, he was qualified to exercise his franchise and to have a voice in deciding how the affairs of Canada as a part of the Empire should be conducted. The hon. Minister of Justice, who had charge of the Bill, strongly opposed the proposal made by the hon. member for Bonaventure, a proposal which was embodied in the form of an amendment. The Minister of Justice urged very strongly, indeed, that the age limit should be 21. The Solicitor General also urged very strongly that the Bill was right; that there was no reason why Parliament should fix the age for exercising the franchise at less than 21 years; that the law applying to civilians in the matter of voting should apply also to those who were engaged in the military service. Perhaps I may be pardoned if I refer to the speeches that were made on that occasion. I do so because these gentlemen who to-day are arguing in favour of extending the privilege to our boys under 21 years of age then took a different view; they stood behind the Government in voting upon the amendment moved by the member for Bonaventure. If I am not mistaken, all the gentlemen who have spoken so warmly to-day in favour of this change in the law supported the Government in the view which they took on that occasion. At page 2,344 of Hansard, 1915, I find the following:

> Mr. MARCIL: Is the minister in a position to tell me what is the youngest age at which these volunteers are accepted? Is there an age limit fixed by the department?
>
> Mr. DOHERTY: I cannot say absolutely that there is an age limit fixed by the department, although I think that ordinary soldiers enlisting are accepted at 18 or 19 years of age, but there are buglers, drummers and boys acting in different capacities.
>
> Mr. LEMIEUX: Are there any scouts?
>
> Mr. DOHERTY: There are no boy scouts that I am aware of.
>
> Mr. LEMIEUX: I think there are.
>
> Mr. DOHERTY: There may be; I only say that there are none that I am aware of. But there are quite young boys in the position of doing military service, in regard to whom I think the general consensus of opinion would be that they would hardly be of an age at which they could be expected to exercise a mature judgment.

I am not sure whether the Minister of Inland Revenue expressed any opinion on that occasion, but he has recently argued that a man must attain the age of thirty years before he can safely exercise his judgment in such matters. The Minister of Justice proceeded:

> Unless for very strong reasons to the contrary, it seemed to those who were responsible for the introduction of the Bill that we must have some degree of maturity, and although it may perhaps be a little beyond what is absolutely required, we thought it the safer course to adhere to the age fixed in the law generally as being the age limit.

Then the member for Bonaventure said:

> Eighteen is the age fixed in the Militia Act for enlistment; I am speaking of the volunteer and not of buglers, drummers or boy scouts. In this case you may have a large number who have enlisted, but who, not having taken the oath as to age, would not become voters. An injustice is being done to the boy of 18, 19 or 20 years, who has enlisted, and who undergoes all the hardships and risks of war, if he is cast aside. I think he will feel that injustice very much, because he knows that he can get the Victoria Cross, the highest distinction for

valour, no matter what age he is. I am in favour of the principle of giving the soldier a vote if he is a voter. I am also in favour of giving him a vote if he is not a voter, because the service he is rendering to his country entitles him to that consideration,

One would have thought that that argument, made so eloquently by the hon. member for Bonaventure, would appeal to the hon. gentlemen who have addressed the House in support of this resolution. Mr. Marcil continued:

but I am opposed to the Bill, because I do not think it guarantees that the ballot which the soldier casts will be the ballot which we will receive here. A very great injustice is being done to the boys of over 18 years of age by depriving them of their votes. The minister knows the old verse:

"Mais aux âmes bien nées,
La valeur n'attend pas le nombre des années."

Boys of 18, 19 and 20, who have the spirit to enlist for the defence of their country, ought to be trusted to cast an intelligent vote. Napoleon Bonaparte was a general in chief of the army at 25. A young man of 18 should be given this right.

The following are the words of the Minister of Justice in reply to what many of us would regard as a very convincing argument:

Mr. DOHERTY: The boy under 21 years who, being a soldier, is not given the right that is given to a soldier who is over 21, suffers exactly the same injustice as the boy in civilian life of 19 or 20 suffers as compared with the man over 21 who may be in precisely similar circumstances of merit or demerit and who has his vote while the boy under the age of 21 has no vote. It is not only in military careers, but I think we have had cases of early maturity in civil life, one very prominent case being that of a gentleman who became Prime Minister of Great Britain at the age of 21. If the reason of the hon. member is right as regards military circles it ought to be equally right when applied to civilian circles. If it be a good argument that, because we find exceptional cases of maturity developed beyond what one's years would apparently lead one to look for, we should make a general rule departing from the age of 21 years, it would be as applicable to civil life as to military life. I am sorry to hear the expression used that any injustice is intended because after all from the voting point of view all that is to be said is that the boy of 18 does not gain something as compared with the soldier of 21 which he would not have gained had he not been a soldier as compared with any other man in the ordinary walks of life and 21 years of age. Perhaps we have not given, but we have not taken away.

Then Mr. Marcil says:

Mr. MARCIL: My sole reason for saying that we should give these boys the right to vote is because they have enlisted. That is the main reason for the wrong, if wrong there be. I do not see why a boy who is capable of bearing arms and serving his country at the age of 18 or 19 years should be debarred from exercising the franchise. The issues of the election may be more fully comprehended by the young man than the man of maturity. I am sorry that the minister has not extended common justice to those in the ranks above 18 years of age.

My hon. friend the Solicitor General was not convinced by the argument of the hon. member for Bonaventure, because on page 2347 of Hansard he is reported to have said:

What I arose chiefly to do was to put before the committee my own view as to the question raised by the hon. member for Bonaventure (Mr. Marcil) and repeated by the hon. member for Edmonton (Mr. Oliver), as to the extension of the franchise to all soldiers although they have not reached their majority. I take the view that the Bill in that respect is right. I do not look on the extension of the franchise to the soldiers as in any way a quid pro quo, as in any way a benignant action on the part of the state to him in virtue of his soldiership. It appears to me that in regard to the British franchise the law presumes, that if the individual man has a real patriotic interest in his country's affairs, and secondly, if he is competent to express that interest, that man is entitled to vote. We take certain precautions to ascertain whether he lives up to these two requirements—whether he has a real patriotic interest in his country's affairs and whether he is competent to express that interest. We say that he must be a resident, that he must live so long in a certain locality. If he is a rolling stone, we cannot presume that he has that fixed and determined interest that he otherwise will have. On the other hand, in order to ascertain whether he is competent to express his vote or not, we fix the age of twenty-one as the age of maturity at which he arrives at competency. Then we say that a judge by virtue of the restraints of his office is incompetent to express his interest. Then we come here and make an extension of the franchise in one respect; that is, we do not insist upon the condition of fixed residence. To that extent and no more, there is in this Bill an extension of the franchise.

The question came to a vote on April 14, 1915, as hon. gentlemen will see by a reference to Hansard on page 2538. Mr. Marcil then moved, seconded by the hon. member for Sunbury and Queens (Mr. H. H. McLean):

That this Bill be not now read a third time, but that it be referred back to the Committee of the Whole House, with instructions that they have power to amend the same by striking out the words "twenty-one" in the first line of section one and by inserting the word "eighteen" in place thereof.

Mr. Marcil made this further appeal to the House:

The House has already heard the arguments in support of this suggestion. I contend very respectfully that a man who has attained 18 years of age, who has undergone medical inspection, who is mentally and physically qualified to take up arms in the service of his country overseas, and who is willing to make the sacrifice of his life, if necessary, to defend the cause which he has at heart, should be on an equal footing with men of the age of 21. If the soldier who has attained the age of 21

years is to have the advantage of exercising the franchise, then it is an unjust and unfortunate discrimination that others who are serving their country should be deprived of that right. I think that this view will appeal to the whole of young Canada, which is taking a deep and patriotic interest in this matter.

This amendment was negatived on division. If I spoke at all upon the subject on that occasion—and I think I did—I took the view that the franchise should be given to young men of 18 years of age. I know I entertained that view, but I think all the members on the other side of the House who spoke on this subject expressed views in support of the position taken by the Minister of Justice and the Solicitor General, opposing the amendment moved by my hon. friend from Bonaventure. I am glad indeed to see that some hon. gentlemen opposite have changed their minds and that they are now entirely in accord with the views which were then put forward by the hon. member for Bonaventure. It will afford me great pleasure to support the resolution which has been moved by the hon. member for South Perth (Mr. Steele) who has spoken so eloquently, and I think the speeches which have been delivered so far have presented unanswerable arguments in favour of the resolution.

Mr. MEIGHEN: Mr. Speaker, the difficulty of reaching absolute fairness in the framing of any law is perhaps beyond the capacity of mortal man. In the framing of a franchise law the difficulty of approximating absolute fairness is greater perhaps than in any other sphere of legislation. The resolution introduced by the hon. member for South Perth covers a subject which in its wider scope had been under discussion in Parliament about two years ago. The hon. member's resolution refers only to one branch of the subject that was then before us for legislation, namely, as to whether we would be justified, in view of the very great services rendered their country by those of our military forces who are under the age of 21, in assuming they were both capable of exercising and entitled to the exercise of the franchise. At that time, differences of opinion were expressed in Parliament, and at that time, let me frankly say, I expressed the view that we could not assume both of the qualifications which I thought we should assume before we admitted to the franchise any class of our population.

We undoubtedly could assume that all who had enlisted for service overseas had at heart the best interests of their country, and from that standpoint they are undoubtedly entitled to all in the way of franchise that their country can give. I did not feel, however, that we could assume further, that they had by the fact of enlistment reached that age of maturity or that stage of mental development that we could differentiate them from the rest of our population in regard to the franchise. There seems, so far as the debate has gone, to be rather a general impression that we might have well gone farther, or at all events, in view of the far greater sacrifice than was then anticipated by many, we might now reconsider our position and do even more for the soldier than we were prepared to do then. That is undoubtedly the earnest and sincere desire of the mover of the resolution, who has stated his case briefly, concisely and fairly, and the desire in the main of those who have supported him. I do not intimate for one moment that the hon. member for St. John was not sincere in his position that these of our soldiers should be entitled to the franchise. But I do dread what seems to be the manifest truth, that he is not afraid to raise party divisions and antipathies in this House, even though they might result in the wreck of the legislation that he deems so dear. He endeavours to intimate that we on this side of the House took a very, very strong stand and argued most strenuously against this proposal, while on the other side of the House the case was entirely different. Two years ago he tried to make the same question of it, tried with all his might and all his ingenuity; he even went so far as to say that those who took a different position were occupying absurd ground, were arguing absurd contentions in the House. It may surprise hon. members who have not looked up the debates to learn that it was not a party question by any means, that there were differences of opinion on both sides of the House, and that on this side of the House the most pronounced, and may I say, the most emphatic, opinion that was expressed in agreement with the present position of the hon. member for South Perth was expressed by the Prime Minister himself. It may surprise even the hon. member for St. John to know that his own distinguished leader who sits to his left (Sir Wilfrid Laurier) spoke words consistent only with the then reading of the Bill, saying on that occasion that the Bill was right and should not be amended. I noticed the hon. leader of the Opposition applauding the hon. member

for St. John in his reference to myself this afternoon, but I think it would be well for him to read Hansard, 1915, at page 2207, where he gave utterance to the following words when this very point was under discussion:

> We have laws and regulations the result of the wisdom and experience of ages, which have determined that we may expect the blood and the sacrifice of the soldier and yet that the soldier is not entitled to cast a vote in the administration of the country. That is so in this country; it is so in Great Britain; it is so in the United States. There are uniform laws governing the exercise of civil and political rights which no nation has yet contravened.

True words, and at no point in his utterances did he even intimate the opinion that it would have been wise for us at that time to contravene those laws and to admit men under 21 years of age to the franchise.

Sir WILFRID LAURIER: Hear, hear.

Mr. MEIGHEN: But it is still more interesting in view of what has just been said by the hon. member for St. John, to read the opinion given at that time by another very distinguished member of the Opposition, the hon. member for South Renfrew (Hon. Mr. Graham). He did not disguise his view at all. He expressed it very fairly, and certainly just as strongly as did any hon. member on either side of the House. The hon. member for South Renfrew used the following words on page 2350 of Hansard, 1915:

> I am strongly of the opinion that 21 is the proper age. I have not heard any good reason...

Although he had heard the hon. member for St. John on several occasions.

> I have not heard any good reason advanced why we should change from the age limit that we have always had. After mature deliberation it has been decided in this country that a man has not reached the proper years of maturity at which he is able to vote until he is 21. I do not think the fact of his going to the front changes the principle at all, for a man of 21 years of age is the same at the front as he is at home, loyal and brave and patriotic though he may be.

I do not need to go any further, to make it clear to the hon. member for St. John that in the former debate it would have been scarcely safe for him to characterize those who held views different from his own as absurd, or for him in this debate to endeavour to part the two sides of Parliament on such an issue as this; whether we ought to admit men under 18 to the franchise because they are serving their King.

It may be recalled that the Bill introduced in the old House was not a Government measure. It was introduced by another member and was referred to a committee, which committee, if I recall correctly, dealt with all subjects then before Parliament having to do with the franchise, and on the report of the committee the Bill was taken up by the Government and became law.

Mr. PUGSLEY: Taken up as a Government measure.

Mr. MEIGHEN: Became a Government measure, but it was not introduced as such. On the introduction of the Bill, and later during the debate on this point the Prime Minister expressed the view that the other would have been the better course, but undoubtedly he assented constitutionally to the Bill in the form it is in now. I have not the committee's report before me, but while I am on the point let me proceed to the vote described by the hon. member for St. John. It was a vote that was not a vote. There was no vote in Parliament. Why did the hon. member say that to the House of Commons?

Mr. PUGSLEY: I said the amendment was lost on division.

Mr. MEIGHEN: The hon. member said there was a vote. I remember when this discussion was up before, I criticised the hon. member for St. John for characterizing those who expressed views different from his own as absurd, and he met me by saying just as he does now, that he had said no such thing. I recommended him to read Hansard on that occasion, and he saw I was right. Let him read Hansard again to-morrow and he will see I am right again.

Mr. PUGSLEY: I quoted from Hansard and I used the words "the amendment was lost on division." I used those very words.

Mr. MEIGHEN: We will just have to leave it to the great arbiter that always decides. Hansard will show that the hon. member at one stage of his remarks said that the question came to a vote.

Sir WILFRID LAURIER: Not a recorded vote. Every question is decided by a vote, but not necessarily a recorded vote.

Mr. MEIGHEN: I have never understood that when a motion is lost on division it is the same as when a motion is actually voted on and lost. For example, would the hon. member for South Renfrew (Mr. Graham) want it recorded that he had voted against his expressed convictions?

Sir WILFRID LAURIER: The only difference in the deciding of questions in this House is, not that some are decided by a vote and some are decided otherwise, but that, while all are decided by a vote, in some cases the vote is recorded, and in other cases it is not recorded.

Mr. MEIGHEN: I do not think that is the theory at all. A motion may be lost on division without a vote. The effect of that is to declare that large numbers do not vote. There is only one way by which a member can vote, and that is by recording his vote. Mr. Speaker comes to the conclusion according to the number cast for or against—

Sir WILFRID LAURIER: The Speaker calls for an expression of opinion, and on the basis of that expression he says "I think the yeas have it; I think the nays have it." That is a vote, but it is not a recorded vote.

Mr. MEIGHEN: As I understand it, that is not a vote. It is a motion decided on division, but it cannot be argued that a number voted "yea" and a number voted "nay." That is the difference between a vote and an unrecorded division. The point is important, because, if it were decided by a vote, then the party division would be there which the hon. gentleman sought to establish, but there is no such record. It seemed to be the consensus of opinion of the House at the time that this was the course to pursue, and that is all about it.

With regard to the general scope of the legislation, it was deemed that, inasmuch as there would be a very great delay and very much to be done in order to take a vote of those who would be overseas, legislation should be provided in advance to take care of these contingencies. The legislation provided that the franchise should be given to those soldiers overseas, who, but for the fact that they were soldiers, would not be entitled to vote at all. It abolished in large degree the residential qualifications. It assumed that because a man was a British subject and fighting for his country, he had that permanent stake in the country which otherwise residential qualification was necessary to prove. And it went further in one respect than even this resolution. This resolution states that in order to qualify for—

Mr. ROSS: Will the hon. gentleman, before he goes further with his explanation, please state whether in his opinion an enlisted Indian twenty-one years old has a vote under the present law?

Mr. GRAHAM: If he is twenty-one years of age.

Mr. MEIGHEN: Yes. But in one respect the legislation went further than does the resolution of the hon. member for South Perth (Mr. Steele). The resolution calls upon us to give the franchise to soldiers of the overseas forces who are below the age of twenty-one, provided they are British subjects and were at the time of their enlistment resident in Canada. Under the law as it stands now a man in the overseas service has the right to vote even though, at the time of his enlistment, he was not a resident of Canada, provided that, six months prior to his enlistment, he had, during any thirty days, resided in any electoral division in Canada. He might have been a resident for thirty days six months before, and ceased to be a resident, but he would nevertheless be entitled to the franchise by virtue of his being an overseas soldier of the country. We did not, however, go to the extent of admitting to the franchise those below the age of twenty-one. Under the clause of the Act, once a man becomes an overseas soldier he is released from the limitations imposed upon the civilian and is entitled to vote, be he Indian or be of any other origin, so long as he is a British subject.

Mr. FISHER: With regard to the Indian vote. A moment ago it was stated in answer to the hon. member for West Middlesex (Mr. Ross) that the Indian soldier had a vote. That would only apply, as I understand it, in case an election should take place during the war. But if the soldier returns to this country he would not have a vote, would he?

Mr. MEIGHEN: I think that can be answered directly: No. But, it can be more usefully answered in the following way: The Soldiers' Voting Act as it is imprinted on my mind contemplated only the enfranchisement of soldiers while soldiers, and made no provision for their having the vote on their return to Canada. I recall that at the time that matter was brought to the attention of the House by the hon. member for North Bruce (Mr. Hugh Clark) and it was explained then that all that the Bill contemplated doing was to extend this franchise, in the manner provided, to the soldiers enlisted for overseas service, and that it did not go on to make

any special provision for soldiers after they returned. Consequently, speaking without the careful preparation on the subject that I should like to have made, I think the effect is this—that the benefits accruing under the Act terminate just as soon as a man ceases to be a soldier in the overseas service. Then he rests for his right to the franchise, as to everything else, upon the ordinary law. Consequently, the Indian, not entitled to vote under the Dominion Elections Act as soon as he ceases to be a soldier overseas would cease to exercise the franchise. It may be a question whether we should or should not legislate, at the proper time, with regard not only to the right of the Indian, and perhaps to others who are ordinarily excepted, and who have ceased to be overseas soldiers, but also with regard to the overseas returned soldiers generally. For it would be just conceivable that under the law as it stands now the returned soldier, having, by the fact of his discharge, lost his special rights under the Soldiers' Voting Act, and perhaps not having had time to qualify under the Dominion Elections Act, might find himself debarred from exercising the franchise. That is a subject, however, not covered by the motion of the hon. member for South Perth (Mr. Steele), and so I will not deal with it further at this time.

Now, as to the questions specifically covered by the resolution. It is argued by the hon. member for Red Deer (Mr. Michael Clark) that manhood is the basis of the franchise after all, and that it is to be presumed that manhood is fully reached when enrolment to fight in this great war has taken place.

That argument must have its appeal. It may indeed be a better statement of the case to say that mental maturity is the qualification for the franchise. It is only natural, as this war progresses and as its horrors multiply and its perils increase, that hon. members of this House, as indeed citizens of this country generally, should feel more and more inclined to overcome all restraints, to throw aside all traditions and to do more and more for the soldiers. That is natural. At the same time we must be careful that we do not go too far. This resolution as it stands, for example, does not place the restriction that was in the mind of the hon. member for Bonaventure (Mr. Marcil) when he moved his amendment two years ago. The resolution would affect even those under 18 years of age serving perhaps as buglers and trumpeters. We might go to the extent of admitting those between 18 and 21 years. This subject is worthy of consideration and in view especially of the opinions expressed in this debate it will receive the consideration of the Government.

Mr. E. M. MACDONALD: I understood the Solicitor General to say that he thought that Indians who were wards of the Government and were not citizens of this country but who were overseas would have the right to vote because they might be said to come within the definition of British subjects 21 years of age. But does my hon. friend think when he uses that language that he will be able to reconstruct his ward and make of him a citizen, a subject or a legal person, in the sense in which the word as used in the statute, which would give him the status of a person having the right to vote?

Mr. MEIGHEN: The Act does not use the term "citizen"; nor do I know of any legal finding to the effect that an Indian is not a person. I think I know what is in the mind of the hon. member for Pictou.

Mr. E. M. MACDONALD: He is not a person in the legal sense.

Mr. MEIGHEN: I know in the courts of England, in their construction of franchise legislation have, in one case, at all events, found that a woman was not, in the sense of the franchise act in force at that time, a person. I do not know of any finding to the effect that a ward of the Government, such as a Canadian Indian, is not a person or is not in a position to be known as a subject of Great Britain. I have always understood that an Indian is a subject of the British Empire, that he is a British subject and my opinion, whatever it may be worth, is that under the Act as it stands defining a person entitled to the franchise as a British subject of the age of 21 years, all British subjects, including Indians, while they are enlisted for overseas service, are entitled as such to the franchise.

Mr. MACDONALD: I would not personally be desirous of being understood as being absolute on that point. I think a ward of the State is a person or subject within the meaning of this law and I do not think it was ever intended that he should have a vote at the time the matter was discussed.

Mr. DUNCAN C. ROSS (West Middlesex): It is a customary thing in this House now-a-days to hear the Solicitor General (Mr. Meighen) advancing views, as he has done this afternoon, which are

a refutation of opinions which he has put forward during the last four or five years. It is also an ordinary occurrence to see him struggling to make a defence, but I do not think I ever saw him struggle so vigorously as this afternoon. Some one has stated that consistency is a virtue. I would not like to say that inconsistency is a vice, Mr. Speaker, but with our friends on the opposite side of the House, in recent times, it has certainly become a habit. Their inconsistency in regard to the Canadian navy is well remembered—I do not want to make party capital out of that—their inconsistency in regard to free wheat is fresh in the memory of the House; their inconsistency in regard to the soldiers' votes is so fresh that it cannot be forgotten, and now we have this new inconsistency of the Solicitor General in regard to this question. I cannot quarrel with the resolution. If a man is courageous enough; if he is patriotic enough; if he is man enough to offer to fight in freedom's cause; if he is strong enough to fight his country's battles, he should have the right to say how the country shall be governed. I for one shall be only too glad to have the verdict of the soldiers who are fighting our battles at the front in regard to how this Government is administering the affairs of Canada. I believe that when the result is known the Government will not be very glad, if I can judge from the letters I have received from the front, and from what I have been told by returned soldiers..

However, that is in passing. There is one feature of the resolution which is not made clear, nor do I know if the mover made it clear in his speech. I would ask the hon. member for South Perth (Mr. Steele) if he intended to include women nurses in his resolution because it does not say "male" subjects of the British Empire.

Mr. STEELE: No, I did not intend to include them in the resolution, but I will be prepared to support a proposal that nurses should get the franchise, when the question comes up for discussion.

Mr. D. C. ROSS: I think it is only just that if British soldiers are going to be given votes because they are British soldiers, British nurses should also be given votes. However, there was a point made by the hon. member for South Perth that I desire to refer to, and that is in regard to the right of the enlisted Indian to vote. There should be no exception made of the enlisted Indian in such a matter. No distinction is made between the Indian and any other man with regard to the terms of enlistment. It may be true that the Indian is a ward of the state, but my contention is that when a ward of the state becomes the valiant guardian of the state, as many of the Indians in my own riding have, he is entitled to the vote at an election for members of this House. The Indians in the southern part of West Middlesex have enlisted in large numbers. Before the war they were a very important part of the 26th Battalion Middlesex Light Infantry, and one of the best companies in that battalion was comprised of Indians. They were amongst the best drilled and best officered of the Canadian militia, and they conducted themselves as Canadian soldiers should. They have gone to the front, they have covered themselves with honour in more than one fight, and some of them have given their lives for their country. My contention is that if you are going to give enlisted soldiers the franchise you have no right to make an exception of the Indian. I would point out to the Government that two years ago I asked whether the Indian soldier would be given a vote in case he enlisted, and the Government gave me a very evasive answer. It is the duty of the Government, if they desire to be sincere in this matter, to amend the Soldiers' Franchise Act, if necessary to make it absolutely clear that enlisted Indians are entitled to the vote. It may seem clear that they have a vote, but when I read the Soldiers' Voting Act there is a grave doubt in my mind. The body of this Act leads you to believe enlisted Indians have a right to vote, but the oath in the schedule of the same leaves the matter in doubt. I would suggest, therefore, to the Government that this point be cleared up. For my own part, I cannot see why any person can take any very strong exception to the resolution of the hon. member from South Perth (Mr. Steele), and I am prepared to support it.

At six o'clock the House took recess.

After Recess.

The House resumed at eight o'clock.

Mr. ONESIPHORE TURGEON (Gloucester): Mr. Speaker, I merely wish to put myself on record as supporting the resolution now before the House and to state the chief motive which actuates me in supporting it, as well as that which caused me to support a somewhat similar resolution brought before the House two years ago by the hon. member for Bonaventure (Hon. Charles Marcil.)

I shall not enter into an argument as to differentiations relating to a division or a vote. When I rise in this House and answer the Speaker "yea" or "nay," I rise with the determination of giving my vote publicly and having it on record. When this matter was before the House two years ago I, for one, advised the Minister of Justice to delay his Bill until the next session. There was no occasion for hurrying at the time; there were two long years within which to frame a Bill which would be more perfect than the one presented by the minister at that time. Had this advice been accepted, the provision which we are now urging, as well as others advantageous to the soldier, might have been inserted in the Bill.

The chief reason why I support this resolution is that our enlistment has been carried on not by conscription, but by voluntary enlistment. The soldier 18 or 19 years of age who is in the trenches to-day went there voluntarily, thus giving indication of his intelligence and of his patriotism. The age of 21 has been recognized all over the world not only as that at which a man may commence to exercise his franchise, but, in every line of business, as the age at which the ordinary human being is capable of assuming the duties of citizenship. A young man has to wait until he is 21 years of age before he is able to administer an inheritance left to him by his father or left to the family of which he is the head. This does not mean that at the age of 18 or 19 a young man is not capable of assuming such duties. It means that Governments have in ordinary cases no evidence upon which they may make a distinction and extend these privileges to any one under the age of 21. But when a young man of 18 is impelled by a sense of duty to fight for his country, thus giving evidence of his intelligence and patriotism, the Government has direct evidence of his capacity to exercise the rights of citizenship as well as the duties pertaining to his family life. It is not only in the universities and colleges that we find young men who are gifted with that degree of intelligence and patriotism. In other walks of life we find them; among the workmen and in our industries, where they rise rapidly by the intelligence with which they have been gifted. Many young farmers at the age of 18 are able to assume the duties formerly carried on by their fathers, and to administer the business of the farm with as much intelligence and success as if they were 21. The young man, therefore, who gives expression to his intelligence and to his willingness to make the supreme sacrifice for his country, furnishes a criterion upon which a Government may act. To grant these young men the privileges of the franchise would be a recognition of their spirit of sacrifice as well as an encouragement to those who have not yet gone. It is, therefore, with the view of expressing our gratitude to the young men who have gone, as well as to encourage those of 18 and 19 who have not yet gone, that I ask the Government to forget the past and have a measure passed at once, based on this resolution, which will give the vote to every young man who has gone to fight or who is to go. This is one of the reasons why I support the resolution; concerning many others of less importance, I shall not now take up the time of the House.

Mr. DONALD SUTHERLAND (South Oxford): Mr. Speaker, it is rather refreshing to hear the hon. gentleman who has just sat down (Mr. Turgeon) advise the House to forget the past and to deal with questions as they confront us to-day. I do not know that a more stinging rebuke was ever addressed to members on his side of the House than that which has been administered by the hon. gentleman who has just taken his seat. In reading the resolution I thought it was one that would appeal to every hon. member of this House. I think it is advisable that I should read it again, in view of some of the remarks that have fallen from the lips of hon. gentlemen who have already spoken. It is as follows:

> That, in the opinion of this House, the Government should introduce legislation at this session which will extend the franchise to every British citizen who enlisted with the Canadian forces for overseas service, and who was a resident of Canada at the time of enlistment.

This is the question before the House, as introduced by the hon. member for South Perth (Mr. Steele), a man who has the reputation of being very fair and very moderate in his views and who does not speak in the House unless it is on a question that he feels is of vital interest to the country. I believe that his realization of its importance is what caused him to introduce this resolution.

Several other members of the House spoke along similar lines to those followed by the mover of the resolution, but, much to my-

surprise, one of the oldest and most experienced parliamentarians in this House, the hon. member for St. John, had his desk piled up with authorities in an endeavour to fasten something of a recriminatory and political nature that happened two years ago upon hon. gentlemen on this side of the House. When we assembled here on Saturday last and listened with breathless attention to the words of liquid fire that were uttered by the eloquent French statesman who was with us on that occasion, I could not help feeling that during the remainder of this session there would be less party recrimination, less waste of time, a greater consciousness of the stern duty with which we are confronted, a desire to deal with matters in a fairer manner than we have done in the past. I do not like to recall these things, but just before the House rose at six o'clock, the hon. member for West Middlesex (Mr. Ross) indulged in remarks that were quite uncalled for. He endeavoured to make it appear that we on this side of the House were inconsistent in supporting a resolution of this kind. I wish to say on my own behalf that when this question was up on a previous occasion I supported it as strongly as possible. I urged on the Government the advisability of extending the franchise to the men who had been more fully seized of their duty to the State than those who remained at home. There are in the ranks of the Canadian forces to-day grim, silent, battle-scarred veterans of this war who went over with the first contingent and who are not yet 21 years of age. That is something that we did not have two years ago when the matter was before the House; that is something that is well known to every hon. member, and it is a reason why we should carefully consider this resolution which has been introduced by the hon. member for South Perth. Is it right or fair that should an election occur in this country, those men, after two years of hard fighting and undergoing terrible hardships, should be deprived of their right to vote? I am more fully seized of the necessity for a Dominion Franchise Act, universally applicable and uniform throughout the Dominion of Canada, than I have ever been before. If my memory serves me aright, as I have not gone through the records as the hon. member for St. John has done, with a view to finding out certain things that appeal to him, one of the reasons why the age was fixed at 21 years, was that the age of 21 was fixed in the provincial lists, which are used in Dominion elections.

[Mr. Sutherland.]

There are other matters to be considered in a Franchise Act than merely extending it to our soldiers at the front. We must also put in that Act safeguards that will not render futile the desires and wishes of those men who are fighting on our behalf. Owing to the cosmopolitan character of the population of this country, there are many men in Canada who have not yet become thoroughly Canadianized, men who cherish yet in their breasts a strong sympathy for the countries from which they came, and at the present time we and the Allies are gripped in a death struggle with the countries from which these men have come. There is this question to be considered in connection with the resolution. Other resolutions affecting the franchise will come up in the course of this session and these matters ought to be taken into consideration together and, as I have stated before, a uniform Act enacted which will meet the requirements of the country. A gradual evolution has been taking place in this country during the past few years. During the last two years we have been confronted with conditions such as have never before been experienced. The wide disparity that exists to-day in the franchise between the different provinces must be removed in Federal elections; we must see that safeguards are enacted that will prevent an injustice being done to ourselves, to our country, and to the cause for which we are fighting. This resolution is so reasonable and fair that I regret very much that it has not appealed to every hon. member, and that some have, instead of expressing themselves in favour of it, rather left the impression that they are in favour of it but have stated that somebody on this side of the House or somebody somewhere else had opposed something of a similar nature on a previous occasion. This measure has never been before the House before, and we are in a better position to-day to realize what is right and fair by those men who are waging this battle on our behalf than we were at any time in the past. I am heartily in favour of the resolution and I believe this resolution and other motions of a similar nature affecting the franchise should be considered and an Act enacted, which will do justice to the occasion and provide safeguards for the interest of our country against the enemy who may be within our gates.

Mr. D. D. McKENZIE (North Cape Breton): Mr. Speaker, my hon. friend (Mr. Sutherland) seems to take pleasure in supposing that he has not been speaking in a partisan manner. If I understand partisan talk, the keenest and most vivid lightning partisan talk that has been given in this House this afternoon has been given to us now. There is no reason why this question should be discussed from a partisan standpoint; it should be discussed in a cool, calm, deliberate fashion. I venture to suggest quietly, from the attitude of the group of gentlemen on the other side of the House who spoke about the enfranchisement of Indians and others, that it is just a little play as to who will get the good feelings and good intentions and good will of the Indians in this country. That is about the full force and effect of this resolution so far as I understand it.

Mr. SUTHERLAND: Does the hon. gentleman imply that most of the men who have gone from Canada are Indians?

Mr. McKENZIE: They are not all gone yet anyway. I am sorry that I should be interrupted in this way. In considering questions of this kind, most of us think we ought to pay some attention to what the law of the country is to-day. It is easy enough to introduce resolutions, and I have no doubt in the world that the hon. member for South Perth (Mr. Steele) who introduced this resolution this afternoon, did so in good spirit and with a view to conferring the franchise upon the soldiers; but my hon. friend and other hon. members must understand that for the last 20 years or more this House and the Senate of Canada have dealt with this question of the franchise and have practically placed the whole question in the hands of the provinces and have denuded themselves of any power in connection with it. That question has stood the battle and the breeze for over 20 years, and it is not a light matter to come now as we are doing to disturb the whole machinery of government in connection with this matter. Section 10 of chapter 6 of the Revised Statutes of Canada 1906, says:

> The qualifications necessary to entitle any person to vote at a Dominion election in any province shall, except as herein otherwise provided, be those established by the laws of that province as necessary to entitle such person to vote in the same part of the province at provincial election.

That is the law of Canada to-day. Each province has the right to say what the franchise shall be, and once that franchise is established by that province it becomes the franchise of the Dominion. I take it that the representatives of the different provinces of Canada in the different legislatures are just as loyal as we are and just as appreciative of what belongs of right to the soldiers at the front as we are, and the power is theirs to extend that franchise to the soldiers if they so desire. They have the machinery for the preparation of the lists; there will be no disturbance of the present conditions in any province of Canada if the provincial legislatures so desire to extend the franchise, and I think we should be content with passing resolutions in this House recommending that the different Parliaments in the nine provinces of Canada should do so. If we pass this resolution to-day how are we going to deal with the lists? We have no machinery belonging to us in any province in Canada to deal with the lists. For some years we had in this country a Dominion Franchise Act, and I think both Liberals and Conservatives got tired of it. It was repealed by the late Government and a new condition of things brought into play. I was not in Parliament at the time that the Dominion Franchise Act, or the Revising Barristers' Act, as it might be called, was repealed, but I do not think there was any strenuous opposition to its repeal. I have been here for a good many years and I have never heard any Conservative, either a member of Government or a supporter of Government, saying that the old Dominion Franchise Act should come into force; everyone seems to be perfectly content with the present condition of things. Some of the provincial Governments may be Conservative and others Liberal in their politics, but everyone seems to be content that the preparation of the lists and the conduct of the franchise are carried on fairly and honestly in this country. If the resolution of my hon. friend consisted in a recommendation to the provinces for an extension of the franchise in any way that would commend itself to my mind I would be more in favour of it, but we are taxing ourselves with a great deal of responsibility if we are going to pass a Franchise Act for the soldiers and furnish all the machinery necessary for that purpose. It is not the intention that the votes of soldiers shall be taken at the front, and, therefore, the resolution of my hon. friend is not so important as it appears to be on the surface, because the intention of

the Prime Minister is evidently that the soldiers shall come home before anything is done, and after they return they will be subject to the conditions of the provinces in which they live and the provincial authorities will deal with the subject. At page 41 of Hansard of this year the Prime Minister is reported as having said:—

I know something of the conditions at the front, and I venture to put this thought before the House and the country; the men at the front will be not only practically, but actually, disfranchised if an election does take place in this country while they are in the trenches. That is my conviction. I say they would be actually disfranchised because, although I render every tribute to my hon. friend the Minister of Justice (Mr. Doherty) and the committee which had in hand the preparation of the Soldiers Voting Act of 1915, I am not disposed to think that the arrangements made in that Act or in any other act that could be devised are such as to enable those men to vote, or at least any considerable number of them. You cannot predict what conditions may exist. Supposing an election came on in this country when the fiercest drive of the war was taking place. Do you imagine that the paymasters of those regiments and their commanding officers could busy themselves with handing out ballots to men whose souls were engrossed and whose lives were at stake in the enterprise in which they were engaged? There is something more than that. I say that those men at the front have not it in their heart or their soul to consider matters of party controversy under the conditions with which they are there confronted. I believe those men would want to put aside any one who came to talk to them about political issues or partisan controversy, under conditions of life or of death, of victory or of defeat such as confront them in the trenches or while making a drive to bring this war to an end. Further than that, there may be perhaps a hundred thousand men not in France. You might be able to have some of those men to vote for Government or for Opposition, not for a candidate, as provided in the fact alluded to; but do you imagine that those men who are putting their lives to the supreme test in going overseas to fight for their country, will be greatly interested in political issues, or that they will desire to hear political speeches, or that they will welcome the distribution of partisan literature?

This was the Prime Minister's idea of this thing. He thought the men should not be bothered with political matters at all, that they would not stand for speeches or political literature of any kind being distributed among them; they should be left to discharge their duties which they were so worthily discharging. When our soldiers come back from the war, I am sure they will submit themselves to the laws of the different provinces to which they belong, and if this resolution was confined to a recommendation by this House to the different provincial governments to make what changes in the franchise they deemed advisable on behalf of the soldiers, leaving it to them to decide upon the qualifications as to age and so forth, I would have nothing but commendation for it. But I do not think it is necessary to ask this Parliament to start the huge machinery that would be necessary in order to do something which in the end would amount to nothing, because it is not the intention to take the votes of soldiers while they are away; and when they come back they will of course be satisfied to accept the law as it stansds on the statute -book of the different provinces.

Mr. A. K. MACLEAN (Halifax): Mr. Speaker, when I hear so much being said and suggested on the other side of the House as to amendments to the franchise Acts, I fear there is in contemplation some very substantial and radical proposals in respect to the franchise law of the Dominion. As the hon. member for Cape Breton (Mr. McKenzie) has pointed out, as matters now stand, the creation of a federal franchise is entirely governed by provincial statute, and so long as that is the case it seems to me a resolution such as is here proposed is hardly a practical one. However, I did not rise particularly to say that. I yield to no one in my admiration of the gallantry and heroism of the Canadian soldier. I hope when he returns to Canada there will be a warm spot in every heart and a place at every fireside for him. But I do not see any necessity at this moment for considering seriously the proposal of the hon. member for Perth (Mr. Steele). I think the soldier is more concerned about other matters at the present moment than whether or not a soldier under 21 shall be entitled to vote in the event of a war-time election. The soldier, even though he be not 21, is a manly man, and I do not think he expects us to reconstruct the established laws of this country to meet his particular case. So far as I know there is no demand from the soldiers concerned for such a change in our law as is proposed in this resolution. After the legislation of 1915 was enacted, I came in contact with a great many soldiers in the city in which I reside, and availed myself of the opportunity to ascertain their opinions on the practicability and advisability of that legislation. I found, of course, differences of opinion, but a great number of them were entirely opposed to the legislation.

I think a more practical question and one far more likely to engage the sympathy

and intelligent consideration of the young soldier at the front would be, how are we going to provide men in this country to take the place of those who have fallen? Or, what are we going to do to provide for our soldiers who will return to Canada after the cessation of the war? I do not think there is any demand for such legislation as this resolution seeks. I think it would accomplish little good. I have listened very carefully and attentively to the remarks made by hon. gentlemen who have spoken to this resolution, but I have heard nothing which would justify me in expressing my adherence to the principle of the resolution.

Mr. J. G. TURRIFF (Assiniboia): Mr. Speaker, as the hon. gentleman who has just taken his seat has said, it would seem from the remarks of hon. gentlemen opposite that some change in the franchise Act is in contemplation by the Government. If there is not going to be any change this session or before the next election, what is the object of our passing this resolution? If there is going to be a change we ought to know it now; we cannot deal intelligently with this question until we know whether or not there is going to be a change. I did not get up for the purpose of continuing this debate, but rather to ask the Government if it is their intention, as has been suggested by hon. gentlemen opposite, to make a new election law for the Dominion with a uniform franchise for the whole country, instead of continuing to use the provincial system which has worked so well for a great number of years.

Mr. MEIGHEN: I can answer the hon. gentleman at once. There is no change in the Franchise Act in contemplation at all. This resolution merely affects the Soldiers Votes Bill, and consideration has been promised in the usual way.

Mr. TURRIFF: It will affect more than that if this Government are going to make a voters' list for the whole Dominion as has been suggested by hon. gentlemen opposite. I repeat that we should know whether there is going to be a change or not before we can discuss this resolution intelligently.

Mr. MEIGHEN: I have given the answer.

Mr. E. M. MACDONALD (Pictou): I would ask the mover of the resolution if his intention is to ask the Government to introduce an amendment to the Soldiers Votes Bill of 1915, so as to include those in the overseas forces who are under 21.

Mr. STEELE: Not being a lawyer I would not like to detail the method which should be followed in order to give every soldier who has enlisted for overseas service the right to vote. The thought that impelled me to introduce this resolution was that if a general election takes place either during the war or within a couple of years afterwards many of the men who are fighting our battles in France to-day so ably and so gallantly will be unable to cast a ballot to say how the affairs of Canada shall be run.

Mr. E. M. MACDONALD: I intend to say a word or two before my hon. friend closes the debate, and I merely wished to ascertain before speaking how he expected the resolution to be put into effect. I would like to direct my hon. friend's attention to the wording of it:

> That, in the opinion of this House, the Government should introduce legislation at this session which will extend the franchise to every British citizen who enlisted with the Canadian Forces for Overseas Service, and who was a resident of Canada at the time of enlistment.

Is this resolution intended to embody a request to the Government to amend the Act of 1915 so as to put this provision into effect?

Mr. SPEAKER: Order. Do I understand that the mover of the resolution was proceeding with his reply?

Mr. E. M. MACDONALD: No. He was merely answering a question of mine.

Mr. STEELE: In answer to my hon. friend, I am merely asking the House to enunciate a principle, and am leaving it entirely to the Government to decide how that principle shall be put into legislation. I am not a lawyer, but I imagine that an amendment to the Soldiers' Votes Bill of 1915 would not be sufficient to carry out the intention of this resolution.

Mr. E. M. MACDONALD: Unfortunately, my hon. friend really does not know what he wants, judging from the answer which he was good enough to vouchsafe to my question. The attitude which hon. gentlemen would take towards this resolution would naturally depend somewhat upon what my hon. friend really has in mind. The Solicitor General told us a few moments ago that it was not the intention of the Government to introduce any legislation of a general character dealing with the franchise.

My hon. friend proposed the resolution which I read a few moments ago. This resolution purports to ask the Government to introduce legislation this session to extend the franchise to members of the overseas forces under twenty-one years of age. If he wished to effectuate the desire he has expressed in moving this resolution, there is no reason why he should not have introduced a Bill to amend Chapter 11 of the Statutes of 1915 by simply striking out the words "of twenty-one years of age or upwards." He has gone a very long way to work if he really wishes to attain results. Though not a lawyer, he is a professional man and is Chairman of one of the Committees of this House; and I am afraid he is altogether too modest when he puts forward his supposed lack of legal knowledge as a reason why he did not take the direct course to the object he has in view. His speech to-day showed that he has read the statute. He is aware that it was passed by this House at the instance of the Minister of Justice, and that its introduction was the result not of a mere whim but of a well-considered policy, and that it was fully discussed in the House before its enactment into law. By the method I have suggested he could have proposed the amendment of this statute, and, had he done so, it is probable that by this time his Bill would be before us for second reading and could be crystallized into legislation at once. So I am at a loss to understand what he means by the circuitous method in which he has submitted this matter to the House. If it had been presented in concrete form as an amendment to the Statute of 1915, so far as I am concerned, the proposition would have had my zealous and hearty support. There could be no question of it passing, for it was made perfectly clear by my hon. friend from St. John (Mr. Pugsley) this afternoon, that my desk-mate, the hon. member for Bonaventure (Mr. Marcil) in 1915 moved an amendmend providing that every one over eighteen years of age should be entitled to a vote if he had enlisted for overseas service. So, had the hon. member for South Perth followed the course that I have suggested hon. gentlemen on this side who voted in 1915 in favour of the resolution of the hon. member for Bonaventure (Mr. Marcil) would have supported him. Notwithstanding the characteristic argument of the Solicitor General (Mr. Meighen) it was hon. gentlemen opposite who voted in 1915 that the hon. member for Bonaventure was wrong when he proposed to give the franchise to members of the overseas service under twenty-one years of age. No doubt the hon. gentleman (Mr. Steele) forgot that the issue had been raised. Of course, the Solicitor General must needs attempt to show that my hon. friend from St. John (Mr. Pugsley), in calling attention to the fact that my desk-mate had proposed this change two years ago, was playing politics. Of course he does not mean these little pleasantries—

Mr. MEIGHEN: I did not say that.

Mr. E. M. MACDONALD: Then, perhaps the hon. gentleman will tell us what he did say?

Mr. MEIGHEN: I said that this was not a matter of politics now and had not been two years ago; that each side was divided, their members taking contrary views.

Mr. E. M. MACDONALD: And what did the hon. gentleman say about my hon. friend from St. John?

Mr. MEIGHEN: That to-day he was endeavouring to make it so.

Mr. E. M. MACDONALD: That is, that the hon. member for St. John was endeavouring to make this a political question, because he called the attention of the House to the fact that two years ago hon. gentlemen on this side had proposed this very thing—

Mr. MEIGHEN: Some of them.

Mr. E. M. MACDONALD: —which hon. members on the other side have now discovered, apparently for the first time, ought to be done. At that time they did not want it done. Let me remind the Solicitor General, with regard to the homilies he is fond of delivering concerning hon. members on this side, of the old proverb, evil is to him who evil thinks. He must not believe that because he happens to sit on the treasury benches that he alone is the embodiment of statesmanship, and that he could not possibly descend from his high pedestal and himself engage in talking politics. He knows that he makes that descent often; that he has to; that when hon. gentlemen opposite get into trouble he is the Moses who is called upon to lead them out of that trouble. Of course, he thoroughly believes that on such occasions he is not playing politics, but is performing a high and patriotic duty. And equally, of course,

when my hon. friend from St. John, in that kindly manner of his, suggests in all candor that we on this side were prepared to put this amendment on the statute books which the hon. member for South Perth (Mr. Steele) wants us to support to-day, the Solicitor General deems it his patriotic duty to rise in his might and denounce my mild and kindly friend on the ground that he is endeavouring to introduce politics. I think the Solicitor General had better refrain from these homilies, for wisdom will not die with hon. gentlemen opposite, nor patriotism either.

I regret that this proposal has not been brought before the House in the form of an amendment to this Act. Let me point out that my hon. friend from Cape Breton North (Mr. McKenzie) is right in his criticism. The unquestioned policy of this country for many years has been to accept the franchise as laid down by the provincial legislatures, having in view the fact that they are in touch with local conditions and have control in matters of municipal organization. Many years ago there was a question between the parties as to a federal franchise, but that has long since disappeared. We now follow the system which obtains in every great federation of states, the franchise of the several states being accepted. As has been suggested, that is our position with regard to woman suffrage. Certain provinces have decided that their women shall have the right to vote, while certain other provinces have not so far accepted the principle of women suffrage. The right to vote given to females in certain provinces is recognized under our statute so far as those provinces are concerned. The only exception to our legislation upon that subject was made in the Bill introduced by the Minister of Justice in 1915, and now appearing in our statute book as chapter 11 of the statutes of that year. We were then creating machinery under which the votes of the men who were overseas, or congregated in camps in Canada, Bermuda or elsewhere, might be recorded. We were not so much making a new franchise law but rather a new electoral law. But incidentally to the providing of machinery for the taking of this vote, there was introduced a clause to give the franchise to every man of the overseas forces, twenty-one years or over, who was a British subject, no matter what his residence or his property qualification. This, I say, is the only exception that has been recognized in this Parliament for a long time to the principle that the provinces shall fix the franchise. I am glad to know from the Solicitor General that it is not the desire to depart from this accepted principle.

I am inclined to support the resolution of my hon. friend (Mr. Steele) on the assumption that it is his desire to ask the Government to introduce an amendment to the Act of 1915, so as to provide that every member of the overseas forces who is a British subject shall be entitled to vote. It seems to me this is a proposition concerning which there cannot be much question. As to the position, in this relation, of the Indians, that is a very large question, and one involving grave considerations. There may be provinces in which, though the Indians are wards of the Government and dependent upon the bounty of the citizens of Canada for their support, the argument might be in favour of extending to them the right to vote. But in other provinces there are conditions which make it impossible to give to these people, who are the children of the state, the right to exercise the franchise jointly with the citizens. I do not wish, therefore, to be understood as acceding to the proposition that this amendment, providing that those who are under 21 years of age shall have the right to vote, can be made so general as to give recognition to the proposition that Indians shall be given the right to vote. The conditions are entirely different. It is questionable whether there is any necessity for this legislation at all. In some of the provinces—I know of two already—legislation has been passed which provides that every person who has gone overseas shall have the right to vote. Two of the western provinces have, by amendment to their Franchise Acts, provided that that shall be done, and in at least one of the Maritime Provinces a similar provision has been made.

Mr. D. C. ROSS: So has Ontario.

Mr. E. M. MACDONALD: Therefore, the proposition narrows itself down to a very fine point, indeed, and it is questionable whether the House is called upon to interfere at all except in so far as it may be that the Government would recede from the position which they, through the Minister of Justice, took two years ago and amend the Act of 1915 so as to strike out the words " of twenty-one years of age."

Mr. A. B. COPP (Westmorland): Mr. Speaker, I desire to draw the attention of the House for a moment to the question that arises in the minds of several hon.

gentlemen as to whether it is the intention of my hon. friend from South Perth (Mr. Steele) merely to amend the Act to give votes to soldiers while reducing the age at which they are entitled to exercise the franchise from 21 to 18 years, or whether it is the intention to change the electoral machinery entirely and take the privilege of providing the voters' lists away from the different provinces. In several of the provinces they have already taken action with regard to the exercise of the franchise by soldiers. Last year the legislature of New Brunswick made an amendment to the Elections Act providing that all soldiers, whether overseas or at home, and whether their names were enrolled on the voters' lists or not, should be entitled to vote at elections. The section reads as follows:—

> Who at any election held during the present war, or within the calender year next succeeding the declaration of peace, if he shall have served in the Canadian Expeditionary Force, or in the British Army or on Home Service in the present war, was at the time of his enlistment a bona fide resident of, and domiciled in the province of New Brunswick, and is at the time of tendering his vote a bona fide resident of, or domiciled in the district in which such vote is tendered; provided that no person discharged from service because of misconduct shall be qualified to vote under this sub-section.

So, the province of New Brunswick provided that all soldiers should be entitled to vote whether they had served overseas or in home defence? During the election held in New Brunswick in February a number of soldiers came to the polls and cast their ballots. Their names were not on the lists but they came there according to this Act and exercised their franchise. There was some question whether, under the Act, a soldier under the age of 21 years could vote, but both parties, anxious that the soldiers should exercise the franchise, offered no objection and any soldier who appeared at the poll was allowed to cast his ballot. I understand from my hon. friend from West Middlesex (Mr. Ross) that they have made provision for the soldiers' votes in Ontario, they have done so in the western provinces, I do not know about Nova Scotia, but I have no doubt that the different provinces will enact legislation with regard to the soldiers' vote. It seems to me it is interfering with provincial rights when we attempt to legislate with regard to the franchise and that the question had better be left to the respective provinces. In so far as I have been able to learn, the experiment in my own province has worked out most satisfactorily.

[Mr. Copp.]

Mr. R. B. BENNETT (Calgary): Mr. Speaker, I do not purpose making any extended observations on this resolution, but I desire to say that I shall support it. There is a certain amount of principle involved in the resolution and I think we should steadily keep in mind the principles that should govern with respect to the granting of the franchise either for federal and national purposes or provincial and local purposes. If history has taught us anything it has taught us at least that the exercise of the franchise is a matter of very serious import to the life of the state. It has taught us that we have men within the state who have now the right to exercise the franchise who, at least, are not the supporters of the state and its great enterprises to the extent to which they should be. Now, I lay down two principles that must govern in a matter of this kind. First, in respect to local and provincial matters, the provinces should be the best and, in fact, the only, judges as to who should vote. Men and women can vote and vote freely upon local issues, on matters that are not beyond the competence of a provincial legislature but when it comes to matters affecting the national well-being, the life of the state, the very existence and destiny of this Dominion. I submit that only those persons who are nationals, using the word "nationals" in the sense in which it is used in the books, should be permitted to exercise the franchise. In matters of life and death to the state, in matters of the existence of our identity as a nation, only those persons who are nationals should be permitted to vote. Who are nationals? The first among all nationals are those men who have offered their lives in defence of our common country and our civilization. I do not care whether they are 21 years of age or not; they have offered their lives upon the battlefields of Europe in defence of our civilization, of our institutions and of our lives and surely they should not be denied the vote. On what principle should they be denied the vote? Could any man give any greater evidence of love of country or devotion to its institutions than to offer his life as every man did who joined the expeditionary forces? I repudiate in toto the doctrine of the hon. member for Pictou (Mr. Macdonald) who said that an Indian shall not vote who offers himself for service overseas. Whether it be right or wrong I state it as my own personal view that any member of an aboriginal tribe who leaves Canada and offers his life in defence

of our liberty should not be denied the right to say something as to what shall be the destiny and the future of this great Dominion. I merely say that is my personal view as it strikes me at the present moment.

The first of those who must be acknowledged as Nationals are the men who offer their lives, by reason of having volunteered for overseas service; the second classification of those who are Nationals and entitled to vote on Federal or National affairs, are those who are British subjects; the third would be those who are naturalized, plus probably something more, because the exercise of the Federal franchise, the exercise of the power to determine the national destiny of Canada, involves, as we have learned by studying the history of this country during the last three years and the history of our friends to the south and of our people overseas, something more than mere naturalization—it involves some assimilation to the institutions of our country, some knowledge of the history of our traditions, some love and reverence for the great names that have given us our civilization, liberty and freedom—and that can come, I submit, only from something more than mere naturalization, something more than merely living three years in the state and swearing before a Justice of the Peace something which a man does not understand, and does not care whether he understands or not. We at least should learn something from this war, and if we have learned anything I repeat, Sir, it must be that the life of the state can be entrusted only to those who are Nationals in the sense in which that word is used. Therefore I classify them once more as (1) those who have gone overseas, offered themselves for service overseas, offered their lives, if need be, in defence of the state; (2) those who are British subjects; (3) those who are naturalized within the state and have had a training that has enabled them to have assimilated something of our institutions and some love for our traditions and history.

And then a further question arises, whether or not you shall place a limitation upon that right; and it seems to me that no thoughtful man who has read the history of this country will for a single moment deny that you should refuse the Federal franchise to those who owe allegiance to a foreign state of a military character. In other words, the reservists of a foreign state should never be permitted to exercise the Federal or National franchise.

Mr. LEMIEUX: You include the Allies?

Mr. R. B. BENNETT: The Allies have nothing to do with the principle, nothing at all. The men who are interested in the preservation of Britain are British subjects by birth or naturalization, and those who have given the further indications that I have mentioned. It well may be—I pray it may not be—that in this country we may again see, as I saw some years ago, men rush to the colours of a foreign country, not our ally. I saw men from Canada rush to the colours of Serbia when she was not an ally of Great Britain. They had become naturalized in this country, but when the call came from overseas, they rushed to the defence of their civilization on the plains of Serbia and in the Balkans. That is unsound, so far as the exercise of a national franchise is concerned. No man who owes allegiance to a foreign power of a military character, no man who can be summoned at the call of a foreign power, whether allied to this country or not, should be permitted to exercise a voice in determining the national destiny of this Dominion.

9 p.m.

I submit those principles as being principles that should govern with respect to the exercise of the franchise in this country, and if these be sound principles—and I submit that this is a sound statement of the case—then all men, whether they be eighteen or nineteen or twenty or twenty-one years of age, it matters not, who have fulfilled the first requisite of indicating by their conduct and their action, by their splendid patriotism, and willingness if need be to sacrifice life itself in defence of the liberties of this country and of our common civilization, should be granted the franchise.

I therefore do most heartily support this resolution, remembering further that this matter engaged two years ago the attention of a parliamentary committee of which I happened to be a member. The consensus of opinion in this House then was that the limit should still be maintained at twenty-one years of age. I was not one of those who then so thought; nor have I changed my opinion. I can only reiterate the statements I have made. that any man, whatever be his age, if he be physically fit and old enough to be accepted for service overseas, if he has shown that he has such a stake in our destiny, such an interest in our future, such a great and abiding faith in our civilization and

destiny, that, if need be, he is willing to offer life itself in defence of our liberties, should be granted the fullest rights of citizenship. If, while we gather in this Chamber and discuss paltry resolutions and display bitterness and strife, this man is willing to make the supreme sacrifice, are we to deny him the greatest of all privileges that a free man can exercise, that of expressing his will with respect to the destiny of the State?

There are other matters that might be discussed upon this resolution. I was not present this afternoon and do not know what has been said. I have heard only the observations of the hon. gentleman from Pictou (Mr. Macdonald), of the hon. gentleman from Westmorland (Mr. Copp), and a few words from my hon. friend from South Perth (Mr. Steele); but I desire to place myself on record as being heartily in support of a resolution which will grant to my fellow Canadians overseas who have offered their lives in defence of the liberties we enjoy in this Chamber, the right, by their voice and vote, to determine what shall be the future of this great Dominion. We should be less than men if we should endeavour to deny that right to any man, black or white, red or yellow, who is a citizen of this country by birth or naturalization, who has shown his patriotism to be of such a type that he is willing to sacrifice his life for our country. That is the view I take of the principles that must guide us in deciding who should exercise the franchise within this country upon great national questions involving the life, the integrity, the destiny of Canada—and more, of that Empire of which Canada is to-day the most prominent dominion.

Mr. F. B. CARVELL (Carleton, N.B.): Mr. Speaker, I have listened to the hon. member for Calgary (Mr. R. B. Bennett) with a great deal of interest, as we always do. So far as the first proposition which he puts forward is concerned, I do not think there has been very much division among the members of this House who have spoken since the debate commenced this afternoon. Of course, there is always this question, whether a man under twenty-one years of age has given matters of state sufficient attention to be enabled to cast an intelligent vote. There is a great deal in what the hon. member for Calgary said, that a man who risks his life should have a right to say what the policy of this country shall be. I do not quarrel with my hon. friend in that, but, in my judgment, the

[Mr. R. B. Bennett.]

hon. member for Calgary has opened up another phase of discussion which I should like to see elucidated, to have a little more light thrown on it, because there is something behind his remarks that has hardly been made plain. He lays down the principle that a man who is a British subject by birth or naturalization shall have the right to vote, but he seems to have an idea that there is some other class of men who are really British subjects who should not have the right to vote. I should like to know to what class he refers. He has spoken of the Serbian reservist who is a British subject as one of this class. That is not the fault of the Serbian reservist, but of the naturalization law. This country has invited into it people from all parts of the earth, and we have had a law that a man who has resided in Canada for three years with the intention of settling in it and has complied with certain conditions, taken the oath of allegiance and fulfilled conditions of residence, is entitled to naturalization, and once he is so entitled, so long as he is in Canada he is entitled to all the rights of a British subject. How is my hon. friend going to take from that man his right to the franchise?

Mr. R. B. BENNETT: The Privy Council so decided in the Japanese case. The Privy Council has decided that it was competent for the Legislature of British Columbia to say that a Japanese should not exercise the franchise, although he was a British subject.

Mr. CARVELL: I suppose that Parliament is all-powerful in anything over which it has jurisdiction. Under the present law, the legislature of a province is all-powerful in the matter of who shall have the rights of the franchise. But take the case of a man who has complied with all requirements, has lived in Canada for three years, has taken the oath of allegiance and has become a naturalized British subject. It is monstrous that some person like the hon. member for Calgary should say: it is true that we invited you into this country under certain promises and conditions, but, for some reason, I do not want you to vote; therefore I am not going to give you the right to do so. I am glad that the hon. gentleman has made himself a little plainer. I think I am in the judgment of the House when I say that he stands practically alone in the position which he takes; anyway, I hope that he does. If there is fault anywhere, it is in the naturalization law. The naturalization law was amended a couple

of years ago, making it a little harder for a man to be naturalized—and I would not mind if it went further still. But I do hope that my hon. friend is not forecasting a change of policy on the part of this Government, this Parliament or this country. I know of no greater misfortune that could happen to Canada than that she should violate pledges made to the people of Europe in by-gone years when she invited them here.

Mr. R. B. BENNETT: The Privy Council has said that there was no such promise and no such pledge. The franchise is neither a promise nor a pledge. It is a privilege which the legislature—

Mr. CARVELL: Notwithstanding my hon. friend's learned remarks, I do not care a straw for what the Privy Council said. The people of Canada know the conditions under which these people have been invited here, and they will know if the rights which were promised to them are withheld. But, Sir, we are travelling far afield. I thought that it was not right to allow such a revolutionary statement to go by unchallenged, and I hope that if my hon. friend or his friends have any such ideas in their minds, they will state them openly and not in veiled manner, as did the hon. member for Calgary.

Subject to what has been said in this respect, I do not think that there is much difference of opinion as between the two sides of the House or among individual members as to the motion that is now under discussion. As has been pointed out, provision has been made in a number of the provinces by which soldiers may vote, regardless of their age. With that provision I have no objection. As was pointed out by the hon. member for Westmorland, it worked all right in the New Brunswick elections in February last, and I assume that it will work all right wherever it is tried. But, as was remarked by the member for Pictou, I do submit that if the House is going to take any action in the matter, it ought to be done simply by an amendment to the Act of 1915.

On the motion of Mr. A. A. McLean (Queens, P.E.I.), the debate was adjourned.

THE SUPPLY OF FUEL.

PROPOSED UTILIZATION OF CANADIAN FUEL RESOURCES.

Mr. J. E. ARMSTRONG (East Lambton) moved:

That, in the opinion of this House, it is of great importance that the increased and increasing demand for fuel for manufacturing and residential purposes be supplied in larger quantities and at cheaper rates than are now possible; that the deposits of bituminous and anthracite coal in Canada, located in the extreme eastern and western portions thereof, be more fully and thoroughly utilized for the benefit of the residents of the central provinces; that the enormous peat and lignite deposits so widely distributed through all portions of the Dominion be also scientifically made use of for the same purpose and further that the Government of Canada make a special effort, through legislation and otherwise, to have these valuable deposits more fully and rapidly developed to the end that the people of Canada may be adequately supplied with these fuels.

He said: Mr. Speaker, the resolution which I present to the House is one which is worthy of the closest attention of every member. We have in Canada the most wonderful undeveloped mineral resources of any country in the world. We have connected with the Mines Department at Ottawa an excellent staff which is capable of undertaking any work that may be assigned to them, and, while I find that there is some overlapping in the work done, much good is accomplished. I am glad that the Minister of Mines has furnished rooms where the specimens of our mines, gathered over the last seventy years, can be exhibited. The samples of materials and of products from different parts of our country which are on exhibition deserve our attention. These specimens were, until a few weeks ago behind closed doors, locked in vaults, boarded up in cellars and in places where it was impossible to have them properly displayed—through no fault of the Minister of Mines.

It is my belief that, at the close of this war no branch of industry in Canada outside of agriculture will receive as great a stimulus as will the mining industry, and I respectfully urge upon the Government the need of devoting its best energies to render every assistance it can to the development of the industries which are connected with the Mines Department. Important matters of research and constructive work connected with the Mines Department must not be left in abeyance.

Since this war began, every nation has been compelled to re-examine and investigate her material resources. Canada possesses tremendous resources in forests, fields, and mines. Let us commence at once to investigate and utilize them.

While investigating this subject, I have been greatly impressed by the number of products manufactured in the United States and England out of the raw material that has been taken from Canadian mines

Education, organization, and scientific research are needed in connection with this department, and a general speeding up of the whole organization is desirable. When the war is over, we should have, and I believe will have, a properly co-ordinated mineral survey of the Empire, and Canada should lead the way. Canada should have some means of demonstrating just what Canadian mines can and do produce. Research and constructive work must be carried on with greater energy than ever before. Educational work regarding our mineral resources should not be confined to our high schools and collegiate institutes, as it is to a large extent to-day, but public schools should make the subject attractive.

The chief statistician of the Department of Mines, Mr. John McLeish, reports that the value of the mineral output of Canada last year was $33,000,000 greater than in 1915. The advance was not mainly due to the rise in prices, for the tonnage also increased remarkably. In 1886 the value was $10,221,255; in 1896 it was $22,474,256; in 1906, $79,286,697, and ten years later, $170,000,000.

At the present rate of development we may expect that during the year 1917 the output of the mines of Canada will exceed $200,000,000. The stimulus given to Canadian mineral development by the war is great and probably permanent. One of the problems which confront Canada to-day, is to devise the best means of rendering available the various supplies of low grade fuel.

Last winter every great city in Canada was within 48 hours of starvation owing to lack of fuel. In recent years we have had two coal famines, first in 1901-2, the year of the coal miners' strike, and secondly, this year, when the severity of the weather and the extraordinary prosperity in the United States caused an unprecedented congestion of freight. A survey of conditions in the United States demonstrates that in the future there will be more coal famines than in the past, and that they will occur at shorter intervals. The current issue of Coal Age, in New York, says that the reserves of coal usually held over by the big companies are completely exhausted.

Dr. George Otis Smith, Director of the United States Geological survey, commenting upon the world's supply of coal, and with particular reference to the reserves in his own country, states:

> This glance at the world's reserves of coal shows plainly not only that the United States leads all other countries in production, our annual output being nearly 40 per cent of the total, but also that it possesses the greatest reserves. Yet in respect to no mineral is there greater need to emphasize the folly of exporting the raw material. Let us keep our coal at home, and with it manufacture whatever the world needs.

The people of Canada just now are gaining an impression, at considerable inconvenience, of what it would mean were the United States for any reason to cut off Canada's coal supply. Presumably there are insufficient facilities and motive power for coal transport. Cities and towns in Canada are keeping fires alight with practically a day-to-day supply of coal, and the time may come when the United States may deem it expedient to reserve her supply of coal for her own use.

Many reasons are given for the making of the coal congestion, namely, zero weather, heavy snow falls, difficulty of obtaining men on the railroads and in the shops, shortage of motor cars and enlistment of men. Railroad officials appear to be doing their best to meet the difficulties. The industries of Toronto, Hamilton, and western Ontario, seem to be the greatest sufferers and universities and schools have closed owing to the shortage of coal. The situation is most serious and an adequate remedy must be found.

I have taken a number of clippings from newspapers which have appeared within the last few weeks, and the headings on some of these articles are:

> Coal famine may tie up industry.
>
> Investigate coal shortage in States.
>
> Coal embargos to be modified.
>
> What wage increase to miners means to consumers.
>
> New York, April 26.—Coal men estimate that the wage increase granted to 175,000 miners in the anthracite fields will raise the retail price of hard coal an average of sixty cents a ton. The agreement signed last night by representatives of the operators and the United Mine Workers of America adds approximately $30,000,000 a year to the miner's wages and is the largest increase awarded in the history of anthracite industry.
>
> Coal fails; schools close.
>
> Canadian roads hard hit by the price of coal; The coal bill of the Canadian Railways will show an increase of more than $8,000,000 this year.
>
> United States petroleum resources are becoming exhausted. A thirty-six per cent falling off in the production.
>
> Lay in your supply of coal is the advice: L. E. Tillson says it may go up to from $10 to $15 a ton.
>
> Must increase Nova Scotia coal mine output.
>
> Coal men now have additional worries: possibilities of miners' strike and advanced freight rates threaten situation here.
>
> Civic trading in food and fuel: legislation gives municipalities chance to curb cost of living: may build storehouses.

About three years ago the head of the Geological Survey Department of the United States sent a strong recommendation to Congress urging that the export of anthracite coal out of the United States should be stopped, giving as a reason that about two-thirds of the deposits of anthracite coal in the United States had already been exhausted and that the people of the United States were facing a condition which if carried on at the present rate of consumption of this coal would deplete the mines available for this supply of coal within the next hundred years. This statement has been discussed with a great deal of emphasis in different parts of the United States. It has been favourably commented upon by many prominent men, and the condition is such as to warrant our immediate attention.

If the United States were to place an export duty on their coal to Canada, we would be then compelled to do what we ought to do to-day, to look about for a source of supply of fuel to take care of our great requirements in this regard. We would then begin to realize that some effort should be made for the development of the poorer grades of fuel that are available almost at our very door.

The attention of geologists and mine owners, also the general public, especially during the past year, have been directed to the questions of the coal supplies and reserves in Canada, and on the Continent. The large increase in the consumption of coal in recent years makes this question of vital importance to this country. Only last year, for instance, we imported $42,000,000 worth of coal into Canada. Considering the constant increase in our imports I think hon. gentlemen will agree that this matter should receive our closest attention.

Canada has large supplies of coal situated in the Atlantic and Pacific regions; in the mountains of British Columbia and in the Plains regions of the Central Interior. On the Atlantic and Pacific seaboards, bituminous coals are extensively mined. The interior fields supply coals of various kinds, the coals of the mountains being the most important and of the highest grade. The province of Alberta forms Canada's largest coal reserve. The coal areas of Canada have an estimated total surface extent of one hundred and nine thousand one hundred and sixty-eight square miles.

In summing up the reports of the coal deposits in the world, Canada stands second among the nations in regard to her deposits. Canada has 1,234,269 millions of tons available; the United States has 3,838,659 million tons available. Great Britain has only 189,000 millions of tons; Germany has 423,000 millions of tons available. At Pictou, N.S., coal fields show an actual available supply of 390 million tons. In addition to this, the small fields and the estimated coal area in Nova Scotia will amount to 400 millions of tons. The present output of coal for Nova Scotia is about 3,000,000 of tons per annum. The coal is largely consumed in the East, much is exported, and a large quantity comes to Montreal.

We have only two deposits of anthracite coal worthy of mention in Canada. One is located in the Rocky Mountains, and the other in the Yukon. Neither of these is easy of access, nor capable of very great development. We use anthracite in our homes because of less smoke and smell. In the West they manage to keep fires in the houses all night with low grades of coal. If our furnaces were changed to consume the smoke, we could use the lower grades of coal with comfort. Mr. Dowling, Canada's coal expert, says this can be done, and we can use $5 coal instead of $8 or $10 coal and get more heat units per ton out of it by adapting our furnaces and heating appliances to its use. From Brandon, Manitoba, east to the Atlantic coast, we are almost entirely dependent upon the United States for our anthracite coal for cooking and heating purposes.

The anthracite coal deposits of North America are fast becoming exhausted. The Americans admit that they have used two-thirds of their total supply, and so we must expect that anthracite will increase in value as the years go by. We must therefore, investigate more closely our soft coal deposits and make every effort to develop them economically. We must also induce our people to make use of the tar-products taken from soft coal which are most valuable. One of the principal products taken from soft coal is ammonium sulphate, which is used extensively as a fertilizer. We are now making a lot of toluol from Canadian soft coal taken out at Sydney Mines. This same firm has been making coke for the steel plants for years past. Soft coal can be transported from two ports in Nova Scotia, namely, Sydney and Pictou. This coal could go through our canals up the lakes to Port Arthur, and might be able to compete in price with the soft coal brought from the United States, which is delivered to the ports along our inland waters. This

subject requires immediate investigation. Should an embargo be placed on coal coming into Canada from the United States this seems the most feasible way of supplying the cities on our inland waters. The Government should inquire into the feasibility of handling grain east and coal west.

To obtain coal of a similar grade to that mined in Nova Scotia we have to go to the Rocky Mountains eight hundred miles west of Winnipeg. For lower grades of soft coal, nearly the whole of the province of Alberta and the southern part of the province of Saskatchewan can be called one immense coal field. Some districts in southern Saskatchewan contain soft coal from ten to thirty feet in thickness, but it is of such a nature that when it is exposed to the air it dries to a powder.

Some definite effort should be made to develop the immense soft coal area in southern Saskatchewan. The Department of Mines know where the seams and exposures are located in the bulk of this immense coal field. Experiments have been made in Ottawa by the Mines Branch within the past few years which have gone to show that lignite coal similar to that located in Saskatchewan, when used in a gas producer, can be as economically handled as regards power as if it were anthracite, provided it is used in the localities where the coal is produced. The day may come when the power used in the great cities of our West will be produced at the mines. How can we make that coal in a shape that it can be shipped to other parts of the Dominion? We have demonstrated that it can be economically produced and used in the area where the mines are located, but what can be done to prepare it for export to other districts? Across the line from Saskatchewan, in Dakota, they have the same product. The University of Dakota took up the question of coal development. They tried to dry the coal and briquette the dust. Their early experiments were not successful, when exposed to the moisture in the air these briquettes would go to pieces. The next examination was to test the possibility of treating the coal to make charcoal and then briquetting it. The result of this experiment is satisfactory and some effort should be made to develop this idea in Canada. Mr. Dowling is satisfied that a proper handling of soft coal in Saskatchewan could be made with briquetting it, and that this fuel would soon take the place of anthracite for home consumption, and would also take the place of fuel for power purposes on the railways and in the manufacturing plants that are not already provided with gas.

As to the question of substitutes: For years in Germany there has been an absolute embargo on the soft coals and the lignites. They compel these all to be roasted and the tars and ammonium compounds extracted, before the charcoal or coke can be burned. The residue is a heavy coke, which takes the place of anthracite. This is one way of using the poorer grades of coal to advantage. The limit for hauling soft coal advantageously by the railway in the West at present is about Brandon, Manitoba. Ohio soft coal comes by water, and is handled at Port Arthur, the railway haul towards the west is cheaper than the railway haul towards the east, with grain and products being shipped from the West, the briquettes could be handled with advantage as far east as Winnipeg or Port Arthur.

Between Winnipeg and Montreal there are, generally speaking, no coal deposits. Therefore, the supply to the people and industries between Winnipeg and Montreal must come from the United States or be shipped in from Nova Scotia by boat up the lakes. Nova Scotia coal is a good grade of soft coal, and by the treatment just referred to, namely, the coking treatment, would form a good substitute for anthracite.

We have only one small area of lignite coal in Ontario and Quebec, and that is of a very inferior quality. It is located on the Moose River, James Bay slope, not far from the Transcontinental. It is in clay about twenty feet below the surface. The seams are only about three or four feet in thickness and would be most expensive and difficult to operate.

Electricity has given tremendous assistance in conserving our coal. It is said that if the electric power already established in Canada were dispensed with it would be necessary to import twice as much coal as is at present consumed in order to supply our people. By developing electricity we have made enormous savings in fuel, and we should investigate at once and see how much farther we can go in this regard. If we nationalize our railroads the Government may feel justified in electrifying large portions of our main lines, and in this way conserve the coal for other purposes. The Chicago, Milwaukee and St. Paul Railway hauls by electric power freight and passengers over 440 miles of its road, and is at present electrifying an additional 250 miles.

The officers of the road claim to have solved the coal supply problem, and the cost of operation by electricity is only one-third that of operation by steam. In addition to this, one-third of all the equipment formerly used for the transportation of fuel has been released, and they claim to have doubled the capacity of the single line. Snow troubles, they also say, are nearly eliminated and extreme cold has little effect on operation. Canada, with her immense water powers in the East and Central Provinces, and abundance of cheap coal in the West, may soon electrify the main lines, thereby conserving her fuel, and use her steam equipment for branch and short hauls.

The British Empire is now known to possess very large reserves of coal. It is estimated that its share is very nearly one-quarter of the world's reserve. As one-half of the world's supply is estimated to be in territory owned by the United States of America, the present known supply for all the remaining nations is about equal to that of the British Empire.

The coal reserves of the various portions of the Empire are given in the following table:—

	Anthracite coals.	Bit. coals.	Sub-bit. coals, brown coals and lignites.	Totals.
	Million tons.	Million tons.	Million tons.	Million tons.
Canada	2,158	283,661	948,450	1,234,269
Great Britain & Ireland	11,359	178,176	.....	189,533
Australia	659	132,250	32,663	165,572
India	.....	76,399	2,602	79,001
South Africa	11,660	44,540	.....	56,200
New Zealand	.....	911	2,475	3,386
Rhodesia	2	493	74	569
Newfoundland	.....	500	.....	500
Southern Nigeria	.....	.....	80	80
British N. Borneo	.....	75	.....	75
	25,838	717,005	986,344	1,729,185

Canada appears to be an important storehouse, but, although it has large reserves, much of this is not available for the commerce of the Empire. Important supplies are, however, to be found on both the Atlantic and Pacific seaboards and may compete with foreign fuels.

The cretaceous rocks exposed in the western part of Manitoba are all marine deposits. Thin streaks of coal occur in this sandstone formation. Light-coloured shades appear in Turtle Mountain near the interior boundary line. In the lower slopes small lignite seams have been discovered. Professor Dowling claims that an estimate of the amount of coal covers a very small area of the slopes on the west of these hills, where the lower seams are workable.

The estimate given of coal areas in the different provinces of Canada is as follows:—

	Metric Tons.
Nova Scotia	9,718,968
New Brunswick	151,000
Ontario	25,000
Manitoba	160,000
Saskatchewan	59,812,000
Alberta	1,072,627,400
British Columbia	76,034,942
Yukon	4,940,000
Northwest Territories	4,800,000
Arctic Islands	6,000,000
	1,234,269,310

The ordinary growth of our provinces calls for cheaper power and cheaper fuel; and the development of our western provinces will depend to a large extent on the supply of cheap fuel and power. For, notwithstanding the existence of the enormous deposits of coal in the extreme eastern and western portions of Canada, certain of the provinces are dependent on foreign sources for their supply. Conditions, however, may not continue as they are to-day. They may change suddenly and we may find ourselves deprived of fuel from the United States without warning. For such an event, we have made no provision; we have accumulated no extra store to meet such an emergency, but import only what is needed annually. For some time past, the strikes in the coal mines of the United States have demonstrated that conditions such as I have

mentioned must be reckoned with, while other causes than strikes, such as the great development of industries, and the demands of the railways for supply during the war, may deprive us for long periods of this outside source of fuel. It is, therefore, wise for us to make provision for an emergency and seek within our own territory the means of supplying this all important necessity. Fortunately, nature has provided a substitute for coal and wood in the peat bogs scattered throughout our central provinces.

The population of our towns and cities is composed largely of wage earners. Our climate, for at least four or five months of the year, requires a large amount of fuel for family use; cheap and abundant fuel is a necessity of existence. There are cities in Canada where families are herded together with insufficient space for health and civilized life, because of the cost of fuel in the winter.

It may be safely said that there will be no permanent reduction in the price of coal; rather it is reasonably certain that there will be a gradual but steady increase. Fuel will become higher as the years go by. The cost of development of heat from water power, in addition to maintenance and management, does not encourage us to believe that we will be able to use electricity as a poor man's fuel for many, many years to come. The price of anthracite and other coals is advancing largely because of exhaustion of the thicker beds, and increased costs of working, freight and transportation facilities. Anthracite coal is fast becoming the fuel of the rich.

In addition to this, manufacturing establishments are bound to increase and the coal consumption for power purposes will likely develop more rapidly. As coal becomes dearer, the difficulty and uncertainty of the supply becomes more accentuated, and the importance of a substitute fuel becomes more urgent. If, therefore, the great peat bogs of Canada could be successfully converted into fuel which would be cheaper than wood or coal the advantages thus conferred upon the future inhabitants of Canada and the United States could hardly be overestimated. The difficulties to be overcome do not appear to me to be very great when the attendant benefits are taken into consideration. The kinds of fuel available in Canada are:

The wood still standing.
Our oil deposits.
The oil contained in oil shales.
Gas.
Lignite coal.
Water powers (or white coal).
Anthracite coal.
Bituminous coal.
And our peat deposits.

Peat is incipient coal. It is made up of the more or less thoroughly decomposed and carbonized remains of plants accumulated under conditions that have prevented their complete transformation into gaseous and mineral matter. The successive stages in the process of carbonization, as it is reported in nature, is first peat, then lignite coal, anthracite and graphite, a form of carbon. For centuries, peat has been extensively used for domestic fuel by the peasantry of northern Europe. An important source of additional fuel for the more immediate future in Canada exists in our extensive peat bogs. These, and the great lignite areas of the northwest occupy a middle ground between coal on the one hand and such vegetable fuels as wood, etc., on the other.

With the reduction in our forest area, due to settlement and other causes, and the consequent rise in fuel prices, the development of these latent resources has become a matter of general and immediate concern. The development of these resources should proceed along such lines, and by such methods, as will secure the maximum of economic return.

For many years past efforts have been made to develop the peat areas in Ontario and Quebec. A large amount of money was frittered away by careless and useless endeavours to produce this material in a manner in which it might be marketable. However, some six years ago the Government decided to make a practical investigation into the peat producing areas of our country, and, if possible, demonstrate the advantages to be derived from peat production. They sent representatives to Holland, Sweden, Denmark, Germany and Russia to gather data and material that could be utilized to advantage in Canada. On the return of these representatives the Government purchased 300 acres of the peat bog at Alfred, about forty miles out of Ottawa, and prepared to demonstrate the commercial feasibility of the manufacturing of peat fuel by the employment of a process which is well known in Europe, and which was the only process for manufacturing peat economically. The Government manufactured 2,000 tons of peat in that bog; they sold this peat in Ottawa and vicinity to

householders and manufacturers for the purpose of introducing that form of fuel to the public and to obtain expressions of opinion regarding this fuel for domestic purposes. The various users of this fuel almost invariably expressed their satisfaction with peat as fuel. They further expressed their keen desire to continue the use of this fuel. I have 150 letters from people who used peat as fuel, and, with the exception of two or three, all speak in the highest terms of its heating qualities, its economy and efficiency.

After the completion of their experimental work, the Mines Branch felt that they had accomplished all that they should do, i.e., the demonstration that this peat could be manufactured at a low cost and transported economically, and that as a fuel it was satisfactory. The Mines Branch felt that further development should be left to private individuals. They disposed of the plant and acreage to a firm who commenced the development of the industry. The private individuals then made some improvements to the plant, and during the year 1914 expected to carry on extensive developments. They were well under way with this work when the war broke out, but being supplied with a limited capital, they were seriously handicapped, and were compelled to close down their plant for lack of money to continue its operation. I regret to say that the plant is now in the hands of a receiver.

Mr. CARVELL: I do not want to interrupt my hon. friend (Mr. Armstrong), but I am very much interested in the statement he makes as to the result of this experiment. What would be the price of coal as compared with the price of peat for heating purposes?

Mr. ARMSTRONG: I will give that information a little further on. As far as I can learn, this was the only real live effort on sane lines in Canada for the development of the peat industry, and after I have explained to you the enormous areas of excellent peat bogs that are available, I feel confident that you will agree with me that some decided effort should be made at the earliest possible date to develop this industry. I believe that the Government should take over this bog immediately and continue to operate it. Manufactured peat at cost should be supplied to the municipalities convenient to the bog, and since the local Government of the province of Ontario have provided means whereby a city like Ottawa could purchase this fuel, the city should arrange for at least 5,000 tons of peat to be stored for use next winter. Other cities should be placed in a similar position. What an advantage it would have been to the people of Ottawa this winter had the corporation of this city stored 5,000 or 10,000 tons of this fuel for distribution at cost to the poorer inhabitants of the city. I sincerely hope that the Government will see to it that a decided effort is made at the earliest possible date to place within the reach of the people in Canada an abundance of this fuel for residential and manufacturing purposes.

From the Government's development of the peat bog at Alfred, it was proven conclusively that peat could be manufactured into blocks suitable for use in industries and in private homes at an actual cost of $1.75 per ton.

Mr. PARDEE: Was that the retail price?

Mr. ARMSTRONG: That was the price manufactured on the ground. Indeed, this was the actual cost of the production of the 2,000 tons of peat referred to. The railway charged one dollar per ton for its transportation to Ottawa, a distance of forty miles.

However, the peat was delivered at $5 per ton to manufacturers and householders, and from many sources I have obtained definite information sufficient to assure me that for residential purposes, in grates, in cookstoves, in the ordinary heater, this has proved to be an ideal fuel. This is a practical demonstration of what can be accomplished, and a good reason why the Government should act. It is true that anthracite coal has more heat units per ton, but the use of anthracite coal entails greater wastage, owing to incomplete combustion, and a larger percentage of ash. This is not necessary in the consumption of peat. Peat fuel is easily lighted, and it is not necessary to use a greater quantity than is required for cooking or heating at one time, while, on the other hand, anthracite undergoes very great wastage in this regard.

The European countries for centuries have been forced to use their natural resources. Some of these countries, which have not been richly endowed by nature with fuel resources, have been very generous in their interest towards the peat fuel industry. Large grants of money have been made annually in Sweden for the purpose of experimentation and research work, and sums of money set aside to be distributed as loans to persons desiring to engage in some phase of the peat industry. The Government of Sweden spends sixty

thousand dollars per annum in the encouragement of peat production. The Swedish Government are running their locomotives on the railways with peat powder. In Denmark, during the year 1913, 64 peat factories with 94 peat fuel plants were in operation. The demand for peat fuel in Denmark is very great.

The European war had an extraordinary effect on the peat market in Denmark. From the beginning of the war no coal has been imported, so the price of stored coal has increased all through the country. As the price went up, the demand for peat fuel developed into gigantic proportions. Dairies, brick manufactories and other manufactories started to use peat fuel, and seemed to be satisfied in spite of the increased cost per brick for manufacture. In Russia, during the last few years, the peat fuel industry has been greatly developed. This is shown by the fact that peat fuel takes second place in the fuel consumption of the country. In 1909, 44 per cent of Russian crude oil, 33 per cent of air-dryed peat fuel, and 23 per cent of coal was used. Since then the production of peat has increased. As the cost of coal, crude oil and wood increases, the peat industry continues to develop.

The sale of machines for the manufacture of peat in Russia in the years 1912 and 1913 shows an increase of 400 per cent. It is estimated that Russia is producing annually 10 million metric tons of peat fuel, out of which seven million tons are manufactured in the seven central Russian Provincial Governments. The United States, exclusive of Alaska, is estimated to have 11,200 square miles of peat bogs, averaging 9 feet in depth, and containing nearly 13,000,000,000 tons of fuel, worth, at $3 a ton, $39,000,000,000. Canada has 37,000 square miles of known peat bogs, but these form probably but a small fraction of the total, constituting a potential national asset of enormous value. The peat resources of Canada exceed those of any other country with the exception of Russia. During the period from 1908 to 1914 the Mines Branch in Canada located, mapped and investigated 140,000 acres of peat bogs in Ontario, Quebec, Nova Scotia, Prince Edward Island and Manitoba, all convenient to railways and markets, estimated to be capable of yielding 115,000,000 tons of fuel and 10,500,000 tons of peat moss litter. Why do we not make use of the information obtained by our Government experts? Seven Ontario Bogs within convenient shipping distance of Toronto will yield 26,500,000 tons of fuel. Four bogs within a few miles of Ottawa are estimated to contain over 25,000,000 tons. Seven bogs in the Montreal district could furnish that city with 23,500,000 tons of fuel. Five bogs along the St. Lawrence, below Quebec and convenient to that city by water, could supply 16,250,000 tons of fuel and 5,750,000 tons of peat moss litter. Nova Scotia Bogs examined in Yarmouth, Shelburne and Lunenburg counties will produce 6,250,000 tons of fuel and 500,000 tons of litter. Six bogs investigated in Prince Edward Island can furnish 1,250,000 tons of fuel and over 1,000,000 tons of litter. Seven bogs examined in Manitoba will produce 2,000,000 tons of fuel and 2,500,000 tons of litter.

Apart from the potential value of our peat bogs as a subsidiary source of fuel supply and for the production of sulphate of ammonia, there are numerous other products such as moss litter, peat dust, alcohol, acetic acid, acetone, tar, tar oils, creosote, gas, etc., which might form the basis of paying industries, giving employment to many people, where now we have only waste lands.

As to the comparative heating value of peat fuel as delivered to the consumer, it may be said that, comparing the actual heating values, one ton of hard coal is equivalent to 1½ tons of peat with a moisture content of 25 per cent; but, in order to arrive at a fair comparison, it is necessary to understand and carefully consider certain factors which, under certain conditions, would turn the scale in favour of peat fuel. As a fuel for cook stoves, ranges, etc., peat fuel will prove more economical than anthracite, since, with coal, the fire must be burned continuously, and, moreover, the refuse, i. e., ash, contains a very large proportion of combustible matter.

10 p.m.

The manufacture of sulphate of ammonia is a matter of great importance to the people of Canada. Our peat bogs in Canada are high in nitrogen, running about 2 per cent. In Italy they are running their peat bogs with a little over 1 per cent of sulphate of ammonia. Ammonium sulphate is a very valuable artificial fertilizer, for which there is a continually increasing demand in almost all parts of the world, and a ready market could be found for all the sulphate of ammonia that could be produced in Canada.

At a time like the present when stock is being taken of the natural resources of the

country, the importance of these investigations will be readily recognized. The estimated yield of 19 bogs in Ontario and Quebec, if used to produce ammonium sulphate, would give a production of 81,696,416 tons of fuel. With a production of sulphate of ammonia amounting to 4,025,525 tons which at a valuation of $65 per ton, which is a very low estimate, the value would amount to $261,659,775.

Intense agriculture has filled the granaries of the world, but fertilizers have become absolutely necessary. Soil fertility is urgently demanded. Appetite has come with eating and our demands and wants are increasing day by day. Inoculation of soil has become an established success. Bacterized peat has been used most successfully as a medium for this purpose. Experiments in England made by Professor Bottomley, Botanical Laboratories, University of London, Kings College, as described in a book entitled "Spirit of the Soil," written by C. D. Knox, shows that treated peat gives as much as 50 to 80 times greater results than the best rotted stable manure, that it is free from smell, dust, weeds, disease spores and insect pests, is clean and pleasant to handle. After seven years of experiments, the American Board of Agriculture are distributing a similar preparation to farmers and recommending its use. Bacterized peat opens a field for every farmer and gardener to undertake important scientific work, in order to increase the yield from the land.

In addition to this, Dr. Eugene Haanel, the head of the Mines Branch, makes the following estimate:

> that the gas available in working the large Teefield bog for sulphate of ammonia would produce 4,000 H.P. continuously for 86 years, a total of 344,000 H.P., the total power gas available in conjunction with the utilization of all the bogs in Canada would amount to over 5,000,000 B.H.P.

Peat burns with a much smaller air supply than coal, consequently less heat is wasted than with the greater draft required to burn coal.

I believe it is the duty of this Government to take over certain peat bogs and lignite mines and furnish the material at cost to our people. Greatly increased prices for the coming winter must be expected, and unless some immediate action is taken, great hardships are bound to ensue. The peat bog at Alfred, Ont., is capable of immediate development, and at least 1,000 tons of peat per month could be manufactured in this bog during the summer and fall. It is estimated that there are 3,000 interned Germans in the camps in our country; a sufficient number of men from these camps could be employed on our peat bogs, near London, Toronto, Montreal and Quebec, to produce a supply of fuel. After the material is manufactured, it is up to the municipalities to purchase the peat and see that it is delivered at cost to the artisan or the farmer. The mayor of this city should have at least 5,000 tons of this material on hand for distribution during the coming winter. Similar amounts, only larger, should be stored in Toronto and Montreal, and other cities.

In the western provinces, lignite coal should be made available for distribution to the farmers and others, and I believe that a sufficient quantity of soft coal should be brought from the mines at Sydney or thereabout, up the St. Lawrence, and distributed to the municipalities, if for no other reason than an experiment. The day may soon come when elevators will be built in Sydney harbour and boats carry coal west and wheat east.

I cannot urge too strongly on the Government the need of immediate attention to this subject. The more I investigate it, the more convinced I am that, unless some radical steps are taken, serious suffering and hardship will be the lot of thousands of our people. During our long winter we are dependent upon artificial heat in our homes. Owing to the continual increase in the amount of fuel required for industrial purposes, and the yearly advance in the price of fuel, I respectfully urge that the Government should take over the peat bog at Alfred at once, and also commence operations near Toronto, Montreal and Quebec, in order to establish the confidence of the people of Canada in the value of peat as a domestic and industrial fuel, and to stimulate activity in the development of our peat resources. In addition to this I respectfully urge the Government to investigate all other means of supplying our people with an abundance of fuel.

It is important that we take this matter up for the following reasons: The outlook for sufficient fuel from the United States is uncertain. We are dependent for a large portion of our fuel on American resources. It would mean the development of other profitable industries in Canada. The development of our peat bogs and other mines will furnish additional employment to Canadians in Canada.

The statistics which I have furnished have been gathered with greatest of care from

the departments of the Government connected with the advancement of these industries, and I submit them for the careful consideration of the House.

Mr. W. A. BUCHANAN (Medicine Hat): Mr. Speaker, the resolution moved by the member for East Lambton (Mr. J. E. Armstrong) is of considerable interest to the part of Canada from which I come. This House may be surprised to know that the province of Alberta has the greatest coal resources of any province in Canada; indeed, its coal resources are very much greater than those of British Columbia or Nova Scotia, the provinces whose production ranks next to that of Alberta. It is estimated in the report of the Department of Mines that Alberta's coal resources amount to 1,072,627,400,000 metric tons. If the Alberta coal mines were operating the year round, they would produce far more than would be consumed in western canada, but owing to the various labour troubles which we have almost annually the mines do not operate regularly and the supply of coal is not such as the resources are able to furnish or even sufficient to meet the demands of the western consumers. We cannot get beyond Winnipeg with Alberta coal because of the competition of Pennsylvania coal. The freight rates interfere; and there is the difficulty of storing lignite coal from the prairies. If the proposed treatment of western coal is successful, it will make a very great difference in that respect, but one of the great difficulties at present encountered in handling western coal is the impossibility of storing it for any great length of time. The reason why the competition of Pennsylvania coal comes so close to the supply in western Canada as Manitoba is found almost wholly in the cheap transportation rates by water.

Vessels moving the grain down the Great Lakes require traffic in return, and they offer a very cheap rate for the transportation of Pennsylvania coal to Manitoba and the head of the lakes. It is almost impossible for those handling Alberta coal to meet that condition. It would be of great value to the labour market in the mines of the West if there was a steady market all the year round; production would be increased, and steady employment would be assured. Uncertainty of employment is one of the difficulties experienced in the mines of the West. At present we have a very serious strike in all the mines of British Columbia. I have a wire to-night from Lethbridge stating that the steam coal situation is extremely serious and may affect some of the railroads in western Canada because sufficient steam coal has not been stored to meet the urgent demands being made at present. We have these difficulties from time to time. If it were possible to carry out the idea that the member for East Lambton has in mind and to find a market for the coal throughout the various parts of Canada, it would be of great assistance to the coal industry in western Canada and, I assume, in other parts of the Dominion as well. But I am not very confident that that can be done. The only thing that can be hoped for in connection with the domestic coal mining industry on the prairies is a rapid development of the West so that the consumption of coal will increase sufficiently to warrant the operation of more mines and the production of more coal. In my part of the country the coal mining business has not been profitable to those who have invested in it. In some cases the coal mining business has been overdone, and I do not know of any very large dividends being paid by any coal mining company in the southern part of the province of Alberta. This is due to a great extent to the lack of a steady market, of a steady demand for the coal and of an all-year-round operation of the mines. We have in Canada sufficient fuel resources to meet all our needs for years to come, if the supply could only be directed to the various parts of our own country—the coal resources of the West brought further East than at present, and those of the East brought further West.

I should like to see something develop from the proposal of the member for East Lambton, but I am not very hopeful that it will be of any benefit at present to the coal resources of western Canada unless some treatment can be devised which will permit the storing of the coal and enable it to be transported further away from its present source of supply.

Mr. J. G. TURRIFF (Assiniboia): I think that the thanks of the House are due to the hon. member for East Lambton (Mr. J. E. Armstrong) for bringing this matter up and for putting so much information before the House. I do not know that the members of the Government present have taken that active interest in the matter which would lead us to believe that anything may come from the resolution in the near future. But I wish to emphasize, if I possibly can, some of the remarks made by the member for East Lambton.

I happened to be one of the persons in Ottawa who bought some peat a few years ago and used it in their houses. It is no doubt a very good fuel for cooking stoves and for grates. I did not try it in the furnace and do not know how it would act if used in that way. Up to a couple of years ago it could be sold at prices comparing reasonably with the prices charged for coal. It cannot be sold at $5 a ton, but there is no reason why it should be placed on the market at that price in Ottawa. If it can be made at the factory or peat bed for $1.75 a ton, allowing $1 a ton for freight, it should be delivered at about $3.50 or $4 a ton. At that price I think it could compete fairly well with soft coal in this part of Canada or at any place within 100 or 150 miles of where it was made. As there are peat bogs all through Quebec and Ontario and the province of Manitoba, there ought to be a fairly good supply for fuel purposes.

But what I wish particularly to speak of is the lignite coal of Saskatchewan. Unlike the province of Alberta, we have not a very great supply, at all events, in eastern Saskatchewan. In the western part of the province there are many millions of tons. In the eastern part, in the constituency which I have the honour to represent, and within 275 miles of the city of Winnipeg, we have a large supply of lignite coal. We have working seams there that are 9, 10 and 12 feet thick, and from them 300,000 or 400,000 tons are shipped out annually and consumed chiefly by the farmers in the prairie country west and northeast of the coal fields. A good deal of it goes into Winnipeg, Brandon and other cities for public purposes and for heating the large blocks, where it is used in the furnaces. But, as the hon. member for East Lambton pointed out, this is a poor quality of coal. It is a lignite, which does not stand the weather well. If you mine it and store it in the summer it crumbles up into more or less fine dust and is not then suitable for burning in cook-stoves or ordinary furnaces, so that you have to mine it in the fall or the winter and it has been used to best advantage within two or three months after it is mined and shipped. But the quality of lignite that we have in Saskatchewan is a great deal better than the lignite found in Germany, where tens of millions of tons are used and a first class fuel produced from it. In that process there are extracted the by-products that, to a large extent, if not altogether, cover the cost of handling the coal and converting it into a much better fuel. Of course, a ton of common lignite, after the tar and other by-products have been extracted, will not give a ton of this good fuel, but it will probably give half a ton equal to hard coal. At the town of Estevan, in my constituency, within 275 or 300 miles of Winnipeg, an experimental plant was established a few years ago, and it was found that the lignite there could be carbonized and made into a fuel equal to anthracite, taking from 1½ to 1¾ tons of this coal to make a ton of the fuel. This war is teaching us that we ought to produce more of our requirements in Canada. Now we have the lignite, and it only requires thorough experimenting to prove that that lignite can be made into a first class fuel, in the preparation of which there are extracted many of the by-products referred to by my hon. friend from east Lambton (Mr. Armstrong), such as tar, aniline dyes, acetic acid, and other products that are worth a great deal of money. My hon. friend spoke of experiments that had been made in Dakota, just south of the line. It is true that experiments have been made there; but as frequently happens in the case of private enterprises, the first men who took up the business spent money foolishly and lavishly and were not very successful. The plants there are briquet plants. I have seen the briquets made at the Canadian Pacific Railway mine at Bankhead of what is supposed to be Canadian anthracite coal, but in Canada anthracite is only semi-anthracite; it is not nearly of such good quality as the Pennsylvania anthracite. The Canadian anthracite is made into briquets, which, as I have found, make a fairly good fuel; but probably on account of the lack of sufficient binding, before you have finished using the briquets in your furnace a quarter of them have been reduced to dust. The coal at Estevan, however, if a proper plant were established, could be made into first class fuel, and the plant could supply customers within a radius of two or three hundred miles, even as far as Winnipeg; but in its present shape it is the poor man's fuel. The rich man will not burn it because it is a smoky fuel and makes quite a lot of ashes, and therefore is not such a satisfactory fuel as the bituminous coal that comes from Lethbridge and Taber, but it is much nearer to the people who want it. Between Estevan and Winnipeg, a distance of 275 to 300 miles at the outside, there is a vast plain well settled by a class of farmers who re-

quire fuel and many of whom are buying and using the coal that comes from Pennsylvania, whereas we have at our own doors the making of a first class fuel if we had someone to take hold of the business who would be prepared to spend a little money in making experiments and putting in the necessary plants. I agree, therefore, with my hon. friend that the Government should take hold of this matter and experiment. The provincial government of Saskatchewan put in an experimental plant which has proved to a certain extent what can be done, but that Government has not gone far enough; whoever takes hold of the business must go further and spend more money in making experiments. We have there such vast deposits of lignite that we could shut off the importation of several million dollars' worth of hard and soft coal from Pennsylvania and other eastern States and give a fuel equally as good in every respect. The fuel that is produced out of this lignite is a carbonized coal something like coke, and it will furnish as much heat to the ton as anthracite. I trust, therefore, my hon. friend who is leading the House will give this matter proper consideration and see if something cannot be done. This is an economic question for this country. Every million dollars' worth of material that we can produce in this country and that we can use in this country is a million dollars saved to the people of Canada. If this fuel is produced, those who are living in the vicinity will have this advantage that they will get the quality of fuel they want at a lower price than they are paying at the present time, because although coal is cheap in that district in its present shape it costs anyone using large quantities of it very nearly as much as to send further away and pay extra freight and get a higher quality of coal. If this lignite is going to take the place it should take, it should be put into smaller bulk so that there would be less freight and less handling. I am absolutely sure that some day not in the very distant future, in the coal fields in the southwestern end of my constituency, within less than 100 miles of the province of Manitoba, there will be established plants which will use that cheap coal for generating electricity, and throughout southern Saskatchewan from Moosejaw south and throughout the southwestern corner of Manitoba electric power for lighting and cooking will be generated from that coal

Mr. SCHAFFNER: We are going to get our heat from straw, I understand.

Mr. TURRIFF: I am not posted on that, so I shall not say a word against it; it may be a good scheme. I am talking of these deposits of coal. I am sure that they could be very easily mined, and power cheaply developed by means of a generating plant. All you would have to do would be to run a shaft into the wheel, coal it out, and dump it right into the boiler room, and one of these days that will happen. But I want to impress on the Minister of Finance and the Minister of Labour that it will not happen of itself; some one must take hold of the thing and give it a start. I trust that the Government will look into this question thoroughly and see whether the statements I have made are not perfectly justified. I have lived within a few miles of these coal fields for many, many years. I have visited them hundreds of times, and I know something about the extent of coal that is there. I am certain that if the experiments were continued a great enterprise would soon be under way and millions of money would be kept in this country that is now going to the United States in payment for coal for our well-to-do people in the cities and in the country too.

Mr. SCHAFFNER: Has any estimate been made of the quantity of coal at Estevan?

Mr. TURRIFF: There is an estimate in the report of the Department of Mines. The report gives the figure for the whole province as 59,812,000,000 tons; the great bulk of that is on the western side of Saskatchewan, and not in the part of the country I am speaking of. I have no doubt that in this report, if I had time to look through it, I could find an estimate for this particular part of the country, but I know of my own knowledge they have been mining there for twenty or thirty years, and there are dozens of sections that are underlaid with coal all the way from six to twelve feet thick. A twelve-foot seam gives about 12,000 tons to the acre of saleable coal, outside altogether of waste and what is left in the ground, and I do not think there has been a square mile of coal mined in all that territory yet; we are taking up only from three to four hundred thousand tons a year. There is coal enough there to last as long as our grandchildren; the extent of it has never been gauged. A farmer

twenty miles beyond the supposed limits of the coal area will very often strike a seam from six to ten feet thick if he goes down 300 feet. West of Estevan are what were formerly called the Dirt Hills, which were not supposed to be good from an agricultural point of view, but which are now settled and growing good crops of wheat, and which contain considerable deposits of coal. In the country south of Moosejaw there are outcroppings of coal right along, and the settlers dig the coal up and keep themselves in fuel all the year round. This applies to the whole country south of Regina, but more particularly to that country about forty miles south of Moosejaw. Then, again, about 200 miles west of the Estevan coal fields there are out-croppings of coal near the Wood Mountain. In fact, there is coal practically all through the southern portion of the province. In the western part of the province the quality of lignite is better, and is called by some people Galt coal. At Taber there are huge deposits, and also at Medicine Hat, where they mined coal in the old days twenty-five years ago. So my hon. friend need not worry about the extent of the coal deposits. The coal is there, and is only awaiting the hand of man to dig it up. If these deposits were in Germany, or France, or any other of the thickly populated countries of Europe a fine fuel would soon be made out of this lignite, which is about the poorest quality we have in the West, and they would be able to make enough out of the by-products alone to pay for the expense of mining. All I ask is that the Government look into this matter thoroughly, and I am sure that if they will continue the experiments they will see that the enterprise is well worth going into.

Mr. G. E. McCRANEY (Saskatoon): Most of the discussion that has taken place so far on this resolution has been with regard to lignite. My hon. friend from Souris (Mr. Schaffner) has raised another matter which I wish to discuss for a few moments, and that is the use of straw for fuel. It must appeal to any one who has been through western Canada and seen the great quantities of straw that are burned on our farms during the fall season, what a tremendous waste is going on of material which could be devoted to some economic purpose. Straw is of no value as a fertilizer, and various experiments have been made with a view to its utilization either as a fuel or in some other manner. My attention was directed especially to it a couple of months ago when I was in Moosejaw with Mr. Knowles, a member of this House, also Mr. George W. Brown, formerly Lieutenant Governor of the province, and Professor R. D. McLaurin of Saskatoon University. We visited a machine shop where experiments were being conducted by a Mr. Harrison, who is the inventor of a process for extracting gas from straw. The method is by means of a retort in which the straw is placed, and, under heat the gas is driven out into a receptacle called a scrubber, which contains water and iron filings. There the gas is cleansed, and then it passes into a gasometer. In the process of passing through the scrubber a tar is given off which runs, I understand, some ten gallons to the ton, and which is black in colour and heavy in composition. It contains the elements of coal-tar, and is consequently useful in the manufacture of by-products of coal-tar. While any straw may be used in this process, it is said that flax straw gives the best results. I saw cooking being done, stoves heated, and gas engines run by means of this gas. The gas is a blue flame, and a mantle is used for lighting. Apparently it is a very pure gas, for after being under a vessel for some time very little carbon is shown. It is estimated that twenty tons of straw a year would light and furnish heat for cooking for a seven-roomed farm house. I am told that one hundred tons a year would provide all the heat, light and power that would be used about an ordinary farm. Mr. Harrison said to me that he could use a tank of the same size as a gasolene tank of a Ford car and, by compressing the gas in it, could carry enough gas to run a Ford car for 100 miles. If that would work out, it pretty well solves the power problem in the West. When one bears in mind that straw runs about two tons to the acre, it is easy to see what tremendous quantities are available, what practically unlimited quantities are in the possession of every farmer.

The apparatus to which I have referred is very simple in construction. I do not know that it is yet being manufactured for sale. Fortunately it can be used in small plants, and so individual farmers may have it, and I have every reason to believe that for less than $1,000 it can be installed, covered and ready for use. From the retort the residue is the carbonized straw. It is said to run about 1,400 pounds to the ton, and the suggestion is made that it might be used in briquetting. I have not seen any briquet-

ting done, and do not know how successful it would be. From what I saw the whole thing had every appearance of having passed the experimental stage. If it works out successfully, it would be the greatest boon to the farmers of the West to have such means of light, heat and power immediately available. It will revolutionize farm conditions to a very great extent. I suggest to the Government that in considering this question of fuel it give some attention to the uses of straw for fuel.

Mr. D. D. McKENZIE (North Cape Breton): The question raised by the hon. member for East Lambton (Mr. J. E. Armstrong) is a very important one particularly to the part of the country from which I come. The most practical problem involved is the opening of the ways of transportation between the far East of Canada and the West. In the East we have coal in abundance, and other commodities also that are required in the West, while Ontario and the West has abundance of things that we need. To make possible the exchange of these commodities is the problem. Of course, this is not a new question with myself, coming as I do from the coal fields of Nova Scotia and having realized long ago the importance of being able to send our coal, our lumber, and other products, into Ontario and the West in competition with the United States and other places which may seek the same markets.

It would seem that the deepening of our waterways is the true solution of the question. If steamers can be loaded at Port Arthur for Atlantic ports or any ports intervening, and, reversely, steamers can be loaded at Atlantic ports for the trip up the St. Lawrence and the Great Lakes to Port Arthur and intervening ports, the problem will be solved. I submit to the Minister of Finance and the Government that nothing more deserves their attention than the deepening of our waterways. I submit that the construction of the Hudson Bay Railway or the Georgian Bay canal should not be considered in comparison with the practical question of deepening the canals of the St. Lawrence. If it were possible for us to load coal in Sydney for Port Arthur and intervening ports, we should be in a position to give to the people of Ontario excellent fuel for all purposes. It has been represented by some that Nova Scotia coal is not a good coal for domestic purposes. I can assure hon. members—and many people in the Maritime Provinces can bear me out—that it is a very excellent article for domestic purposes. And if it is necessary to convert it into coke, it has proven its worth in that way; we have large steel works in Nova Scotia depending altogether on coke from our own coal. If facilities were placed at the command of our people we should be able to land our coal, our iron, our steel, our coke, as well as tar and chemicals produced from coal, our potatoes, lumber, and other articles which we have in abundance, in Ontario ports, and even send them to points in the West. In return, we would take from Ontario flour, wheat, corn, bacon, and manufactured goods, and from the West the products that they have in abundance there. The use of our coal would afford cheap power for the manufactories of Ontario. On the other hand, we would be able to lay down in these sections cheap coal of a most excellent quality. Instead of thinking about storing wheat in elevators on Hudson Bay, if you deepened the canals and opened up a way from Port Arthur to Atlantic ports, such as Halifax, North Sydney and Louisburg, your elevators would be built at Halifax, North Sydney and Louisburg, where you have the open ocean without a speck of ice to interfere with you all the year round. You can store your wheat there and you are not under the necessity of having your wheat in elevators at Port Arthur, Montreal and other places for the greater part of the year ice bound. The ships that would bring up coal, lumber and other articles as well would carry wheat back and a profitable trade would be established through the Great Lakes. Store the coal for winter purposes in convenient places in the West. There is no trouble in your erecting elevated chutes or pockets by erecting trestles over railways and alongside of wharves from where you discharge your coal, so that your cars would run under these chutes at any time in the winter and it would be easy to handle the coal. That is the way they store coal in chutes at the great coal centres of Nova Scotia. The coal is ready in two or two and a half hours to load the largest ship that comes alongside the pier. In like manner you could store coal at central places in the West, and your coal cars could run under these chutes and get the coal. You have the opportunity of storing your wheat on the Atlantic coast and storing your coal at whatever places in the West may be found convenient by this interchange of traffic once the canals are deepened. I may be talking without knowledge. I have no great knowledge of what is necessary to deepen these

canals, but we do know that they are now down to a depth of 14 feet. It is expected that the Welland canal will soon be down to a depth of 25 feet, and if that can be done on the Welland canal, and if they have been able to go to a depth of 14 feet on the various other canals, there is no reason why they should not be brought down to the proper depth. It would be a magnificent boon to the country and something that would redound to the general advantage of all Canada.

We have a supply of coal, iron and steel in Nova Scotia which is inexhaustible, and there need be no fear that great expense will be put on the canals and that the facilities will not be profitable because we have not a sufficient supply. I do not know that it is any exaggeration to state that the coal belt of Nova Scotia is 250 miles long, extending from Louisburg, on the Atlantic, away down around the sinuosities of the Gulf of St. Lawrence to Cumberland, about 250 miles of coast, averaging between 10 and 25 miles wide. That magnificent belt of coal has only really been touched here and there although millions of tons are being taken out of it. With these great opportunities for the development of coal, iron and steel, lumber and other forest products and with the capabilities of Prince Edward Island, New Brunswick and Nova Scotia in the production of root crops that would be available to our friends in the West, a magnificent opportunity would be established for a permanent and profitable trade within our own bounds, making us forever independent practically of anybody outside of Canada. I felt that it was incumbent upon me, in view of the great interest that is taken in this matter by the people living in the part of the country from which I come, to make these observations. I feel under a debt of gratitude to my hon. friend from East Lambton (Mr. Armstrong) for having brought this very practical and important subject before the House and the country.

Sir THOMAS WHITE (Minister of Finance): Mr. Speaker, I am sorry my hon. friend the Minister of Trade and Commerce (Sir George Foster) is not present this evening because it had been his intention to speak on this resolution. I join in the expression of gratitude of the hon. member who has just taken his seat (Mr. McKenzie) towards the mover of this resolution, the hon. member for East Lambton (Mr. Armstrong) for his very able exposition of the subject and for the painstaking attention that he has evidently bestowed on the preparation of the speech in which he has brought it to the attention of the House. I followed his remarks with the closest attention and all who have spoken are unanimous in their view as to the extreme importance of the question of the fuel supply of the Dominion. My hon. friend from East Lambton has truly pointed out that our supplies of bituminous and anthracite coal—or more properly bituminous coal, because we have comparatively little anthracite developed—lie on the extreme east and west and that, in so far as the central provinces are concerned, Quebec and Ontario are largely dependent for their coal supply upon the United States to the south. The province of Ontario is dependent at the present time for the bituminous coal supply used in connection with its great industries upon the United States. The hon. member for East Lambton has pointed out that this is a situation which might at some time give rise to apprehension. In that connection I might mention the great importance to the province of Ontario of the development of her unexcelled water powers. These water powers, I think, will play an increasingly important part in the economy of Ontario and Quebec and of other provinces as well in the future, and in the electrical development of the country as applied to production. I think that Canada has the greatest resources in water powers of any country in the world, and certainly the future will witness a very great development in that connection. The hon. member for North Cape Breton has pointed out the great resources of Nova Scotia and Cape Breton Island in coal. He has stated, and I think truly, that their resources in that respect are practically inexhaustible. In Nova Scotia, and especially in Cape Breton Island, there are available for the production of coke and steel all the natural elements required comprising the iron ore which is procured from Belle Isle, limestone in practically unlimited quantities, as well as immense resources in coal, the coal areas extending out underneath the sea. So that, so far as Nova Scotia herself is concerned, her industrial future would seem to be assured. But there is coal there in amounts more than adequate for even her increasing industrial requirements, and my hon. friend to-night has expressed the opinion that if the St. Lawrence canals were deepened that coal might be made available for the requirements of central and western Canada. I think there is a great deal to be said for that view. The

deepening of the Welland canal had been proceeding apace before the outbreak of the war, and I have no doubt that upon the conclusion of the war, as soon as it is financially practicable to resume work, the deepening of that canal will be completed. And I should look forward myself to the deepening also of the St. Lawrence canals, as my hon. friend has suggested. I think that is bound to come in the development of Canada. The war naturally interrupted many of these projects which had engaged our attention before its outbreak. How long it will last, of course, we do not know, or how much expense it will entail upon the country. Until we do know that it is premature to express an opinion as to the undertaking of these large works, no doubt of national importance, all of them, which engaged the attention of this and preceding Governments in the past, and will undoubtedly engage the attention of Governments in the future, after the war is over.

The question of the development of our peat resources has been touched upon. There is no doubt that these resources are vast. I have no practical knowledge as to peat, but so far as my experience has gone, up to date its commercial development does not appear to have been practicable. The industry has always appeared promising, and yet when capital has been invested in it, with the outlook, so far as one could judge most favourable, conditions have arisen under which success has not been possible, and money has been lost. The result is that, so far as Ontario is concerned, the peat industry has not attained any considerable dimensions or its development met with any considerable degree of success, at least that is my impression. But while that is so, it by no means follows that the future development of the peat industry is destined to such a fate. It is quite possible that, with the progress of

11 p.m.

invention and with the increase in population, peat may play a large part in our future domestic and industrial economy. I think that very probable. So far as the West is concerned, it has been pointed out by the hon. member for Assiniboia (Mr. Turriff) to-night that the coal or lignite areas there are practically inexhaustible. I think that is so. In Saskatchewan and Alberta we know there are many deposits of coal and lignite. The difficulty, it appears to me, at the present time, is that you have a comparatively sparse population, and as success in mining coal of that character will depend on demand and demand immediately at hand, because transporation difficulties have to to be taken into consideration, notwithstanding the best efforts that might be put forth, the development of the fuel areas of Saskatchewan and Alberta as well as the southern part of Manitoba must proceed rather slowly. The hon. member for Lethbridge (Mr. Buchanan) has pointed out another reason which inclines me to the same view. So far as British Columbia is concerned, we have got the bituminous coal there from which is produced the coke which is indispensable in connection with the industries of southern British Columbia. All these considerations indicate the extreme importance of the question of coal and other fuel for the industrial development of Canada. Of almost as great importance, though not quite as great, is the question of the supply and cheapness of fuel, soft and hard coal, and lignite if it can be made available, for domestic use. The question will probably become more acute as the population of the country increases, and I myself would hope to see, apart from any action of the Government, a progressive demand for fuel, such as soft coal and lignite, for these purposes. But my hon. friend is right in urging that the Government should give special attention to the whole question, because it touches vitally our production and the comfort of our people, and is therefore one of the larger problems of Canada.

So far as I can see, the resolution is one which might well be adopted by the House. I shall make it a point to bring it to the attention of the Minister of Mines and the department under him. I would suggest to the hon. member for East Lambton (Mr. Armstrong) that the resolution be amended to read instead of "through legislation and otherwise," "through legislation or otherwise." It has not been shown that legislation is necessaray in this connection. Of course, if any legislation is necessary, the Government could bring it down. If the hon. member will make that slight change, I think that, so far as the Government is concerned, the resolution may be accepted. We are all as one as to the extreme importance of the matter, and while the energies of the Government must necessarily be engrossed by the war, still I see no reason why the department should not go carefully into the matter, and if there is anything which the Government can do at the present time, we shall be only too glad to do it.

Mr. PUGSLEY: Mr. Speaker, I am very glad to hear the remarks of the Minister of Finance with regard to the importance of the development of electricity. That, of course, would be a very important matter for Ontario, and I think also for the province of Quebec and the western provinces. I happen to know from engineering work which was carried on when I was Minister of Public Works, that there are on the Saskatchewan river splendid opportunities for enormous water power development. We all know what has been done upon the Winnipeg river about one hundred miles from the city of Winnipeg, and I believe that the development which has taken place there and has resulted in giving the people of Winnipeg electricity at a very reasonable rate, is only a tithe of the development which could take place.

The same observation, to a large extent, applies to the province of British Columbia and, to a lesser extent, to the Maritime provinces. I think that a great deal could be done in the way of supplying the people of many of our cities and towns with electricity, not merely for light and power purposes, but also for heating purposes, at a rate which would compete with coal. The committee that has to do with the reconstruction of the Parliament buildings took up the question of heating the new building with electricity. Arrangements have been made so that if in the future electricity can be furnished at a price to compete with coal, the boilers which are to be placed in the building can be supplied with an electrical current to heat the water which would be carried to the boilers and distributed throughout the building. From inquiries which I made from electrical engineers, I became convinced that if the Government were to take hold in a large way of the development of power in the city of Ottawa by completely damming the Ottawa river, an enormous electrical development could be secured. Electricity could be furnished at a price in the vicinity of $10 per horse power, which would compete successfully with coal. If that result could be brought about, electricity could be used with very great advantage for heating not only public buildings, but also residences and ordinary places of business. The same remark, I am sure, would apply to the heating of the buildings in many other cities and towns throughout the Dominion.

I should like to see the resolution broadened. Its weakness is that it is limited to anthracite and bituminous coal, peat and lignite. I do not think that this House ought to commit itself specially to urging the Government to proceed with the utilization of peat deposits, because, as the Finance Minister has said, experiments which have been made at considerable cost have not shown that peat can be manufactured in Canada on a commerical basis. I think that we ought not to specify then from modes in which work should be done by the Government. The resolution is too narrow because it eliminates altogether the development of electrical energy by water powers, which, I think, is of the greatest possible importance for heating as well as for other purposes. It ignores altogether the enormous deposits of oil shale which are to be found in Canada, in some parts of Ontario and very largely in the Maritime Provinces. I think that there are large shale deposits in Cape Breton, in the province of Nova Scotia—the member for North Cape Breton will correct me if I am wrong—and in the province of New Brunswick the deposit of shale is colossal in its magnitude. Experts of the Mines Branch say that these deposits would yield from forty to fifty gallons per ton of shale. In the extraction of oil from the shale there could be produced vast quantities of sulphate of ammonia, which could be utilized advantageously for agricultural purposes, perhaps taking the place of the potash which we are now unable to get from Germany, which we may be unable to get for a great many years and which would therefore be of enormous benefit to the farmers of Canada. I am told by experts that from those shale deposits a great many thousand tons of shale per day could be mined, which would yield enormous quantities of oil suitable for fuel purposes. It seems to me that this resolution ought to be broad enough to cover deposits of that character as well. The resolution is a very important one. It urges that the Government give favourable consideration to matters which are vital to the future welfare of the country. If my hon. friend is not prepared tonight to enlarge the resolution by an amendment along these lines, I would suggest that he allow the resolution to stand over, in order that, perhaps after a conference with the Government, he might make it broad enough to include these various resources, which might be developed to great advantage.

Mr. J. E. ARMSTRONG: I appreciate the generous treatment which the House has

given this resolution, and I appreciate also the words of the hon. member for St. John city. He has called attention to the development of electricity in Canada. I do not think that he was present when I was referring to that subject. I called attention to the fact that were it not for the present development of electricity in Canada, we should be compelled to import from the United States and other outside points an amount of coal equal to the amount which we are importing to-day, and I urged the Government to see if it was possible to find other means of developing electrical energy in Canada. What I am particularly urging on the Government is the need of investigating the fuel resources of Canada; that steps should be taken to see whether the available fuel supply—electricity and oil shales included, if you like—in our country can be developed along scientific and practical lines, in order that our people may be able to secure fuel at a more reasonable rate than that at which they are now securing it. I feel that we should dispose of the resolution to-night, because the days are going by when private members have the opportunity of taking up such resolutions. If the Finance Minister would agree to have the resolution include electrical energy and oil shales, I have no objection whatever. I call attention to the fact that we have a commission appointed for scientific research, composed of a number of prominent men from the different universities, including Professor MacCallum, who is at its head. It would be their duty, I think, to take this matter up and see if they could develop it along practical, rational and common sense lines.

Sir THOMAS WHITE: In order that this motion may be disposed of, I would suggest that the hon. member for East Lambton amend it by inserting after the word "peat" on the seventh line the words "Oil shales," and after the word "deposits" on the seventh line the words "and water-powers."

Motion as amended agreed to.

ADJOURNMENT FOR HOLIDAY.

Sir THOMAS WHITE: Next Thursday being Ascension Day and a holiday, I move:

That when this House adjourns on Wednesday, the 16th instant, it stand adjourned until Friday, the 18th instant.

Motion agreed to.

On motion of Sir Thomas White, the House adjourned at 11.20 p.m.

[Mr. Armstrong.]

Tuesday, May 15, 1917.

The House met at Three o'clock, the Speaker in the Chair.

PRIVATE BILL.

FIRST READING.

Bill No. 48, respecting The British Columbia and White River Railway Company.—Mr. Clements.

EXCHEQUER COURT ACT.

AMENDMENT PROPOSED.

Mr. E. LAPOINTE (Kamouraska) moved for leave to introduce Bill No. 49, to amend the Exchequer Court Act.

Some hon. MEMBERS: Explain.

Mr. LAPOINTE: Mr. Speaker, the purpose of this Bill is to amend section 20 of the Exchequer Court Act, which gives jurisdiction to the Exchequer Court to entertain certain claims against the Crown. Subsection (c) of section 20 reads:

Every claim against the Crown arising out of any death or injury to the person or to property on any public work, resulting from the negligence of any officer or servant of the Crown, while acting within the scope of his duties or employment.

As you are aware, Sir, the Crown is not liable for any wrong committed by its servants except when its liability is so provided by statute; and it has been decided by the Supreme Court of Canada, in two or three instances, especially last year in the case of Piggotts vs. the Crown, that no claim can be entertained for an accident arising on a public work if the property or the person injured were not on the public work itself. For instance, in the case which I have just mentioned, the owner of a dock which had been destroyed through an explosion of dynamite on a Government wharf was denied all claim to compensation because his dock was on an adjoining property instead of being on the Government property itself. Judges of the Supreme Court have stated especially that the section as it stands constitutes a stupid enactment, and that justice has often been denied thereby. The amendment I propose is to insert the words "on any public work" after the words "while acting," so that the subsection will read:

Every claim against the Crown arising out of any death or injury to the person or to property on any public work, resulting from the negligence of any officer or servant of the Crown, while acting on any public work within the scope of his duties or employment.

Motion agreed to, and Bill read the first time.

BUSINESS OF THE HOUSE.

Sir THOMAS WHITE moved:

That on Wednesday, the 16th day of May, and subsequent Wednesdays until the end of the session, Government Notices of Motions and Government Orders shall have precedence after Questions and Notices of Motions for production of papers.

When this motion was moved yesterday by the Minister of Trade and Commerce, the leader of the Opposition asked that it be allowed to stand until to-day so that he might make some inquiries.

Sir WILFRID LAURIER: Mr. Speaker, the House is aware that many notices of motion from private members have been allowed to stand until the return of the Prime Minister. The Prime Minister has now, I am happy to say, returned safely from his trip, and we may now take up these motions. If my hon. friend will agree to have the date changed to Wednesday, the 23rd of May, I shall have no objection to the motion.

Sir THOMAS WHITE: The original motion was to take Wednesday, the 9th day of May, and now it has stood over until the 15th and we desire to make it apply from to-morrow; but if my right hon. friend is not ready to indicate the motions which have been allowed to stand, I think we shall comply with his request.

Sir WILFRID LAURIER: I will agree that the Government take Wednesday, not of this week, but of the following week. To-morrow we will take up the questions which have stood in the absence of the Prime Minister.

Sir THOMAS WHITE: We will meet the request of my right hon. friend. I ask to be allowed to amend the motion to read: "Wednesday, the 23rd day of May" instead of "Wednesday, the 16th day of May."

Motion as amended agreed to.

CORRECTION.

On the Orders of the Day:

Mr. PUGSLEY: I would like to make a correction in Hansard. In a remark that I made yesterday upon the discussion of the resolution moved by the hon. member for East Lambton (Mr. Armstrong), I am reported to have used these words, having reference to the oil shale deposits in New Brunswick.

Experts of the Mines Branch say that these deposits would yield from $40 to $50 per ton of shale.

That conveys the impression that the results would be such as to astonish the world. What I said was:

Experts of the Mines Branch say that these deposits would yield from forty to fifty gallons of oil per ton of shale.

WESTERN COAL MINING.

On the Orders of the Day:

Mr. W. A. BUCHANAN (Medicine Hat): Has the Minister of Labour any information to-day concerning the matter I spoke about yesterday when I intimated that the United Mine Workers of America had called a general strike? I understood the reply of the minister to be that he had no official information to that effect. I have since seen in the press that the report is correct, that all the mines have been closed; that already there is a shortage of steam coal, and that the Granby smelter has been forced to close down because of want of coal. Has any action been taken by the Government to assist in bringing about a settlement?

Hon. T. W. CROTHERS (Minister of Labour): Since I replied to my hon. friend's question yesterday, I have received a message to say that the miners have all ceased work in District No. 18. Beyond the telegrams that have passed between the miners and myself nothing has been done in the matter.

M. VIVIANI'S SPEECH.

EXTRA COPIES TO BE PRINTED FOR CIRCULATION.

On the Orders of the Day:

Sir THOMAS WHITE: Just before the adjournment last evening the hon. member for South Renfrew (Mr. Graham) requested that a number of additional copies of Hansard containing the speech of M. Viviani should be printed by the Government. I have caused instructions to be issued this morning for 25,000 additional copies to be printed, and these will be available at the Distribution Office for such members as desire to send them to their constituents. Should a further supply be required I shall be glad to give it my attention.

THE BUDGET.

NOTICE OF AMENDMENTS.

On the Order being called for resuming the adjourned debate on the motion of Sir

Thomas White, that Mr. Speaker do now leave the Chair for the House to go into Committee of Ways and Means.

Hon. FRANK OLIVER (Edmonton): Mr. Speaker, I desired to move an amendment to the resolution, but as it was ruled out of order by the Deputy Speaker, I beg now to give notice that on the second reading of the resolution I shall make a motion suggesting the desirability of a revision of the tariff downwards.

Mr. J. A. ROBB (Huntingdon): The amendment which I presented last Friday morning having been ruled out of order, I now beg to give notice that on the second reading of the resolution I shall present a similar motion.

Mr. F. B. CARVELL (Carleton, N.B.): On behalf of the hon. member for Northumberland (Mr. Loggie), who is unavoidably absent to-day, I beg to give notice that on the second reading of the resolution he will move the amendment regarding the free entry of potatoes into Canada, of which he gave notice last week.

DEBATE ON ANNUAL STATEMENT OF THE MINISTER OF FINANCE.

The consideration of the proposed motion of Sir Thomas White (Minister of Finance) for the Committee of Ways and Means, and the amendment of Mr. Turriff thereto, was resumed from Thursday, May 10.

Mr. W. F. CARROLL (South Cape Breton): Although the debate on the Budget has been somewhat extended, I desire to make a few remarks on certain features of it. From many standpoints the Budget is very satisfactory, and perhaps the most satisfactory feature in connection with it has been the splendid response which has been made by the people of Canada to the domestic loans which were floated by the Department of Finance. I think some $350,000,000 was contributed by the people of Canada to these war loans, and that speaks well, I think, not only for the generosity of our people but for their patriotism also, and augurs well for what I conceive to be the policy that should be followed by future governments in this country in placing loans. I believe that we should continue in the future to try and meet our indebtedness by domestic loans, as that will keep the money in this country, and give to those of our people who may have money to loan the advantage of a rate of interest which hitherto has been offered to foreign countries.

Free wheat has been a live issue in this country for very many years. It was a very live issue during the reciprocity campaign of 1911, and I am happy to say that although on that occasion there was a distinct party cleavage on the question, to-day the people of Canada, irrespective of political creed and affiliations, have come to realize that free wheat is a good thing. To-day it is no longer a matter of theory but an actual fact, and probably the Government's policy in this regard will be perpetuated. The Government are responsible for the statement that free wheat has been brought down as a war measure, but I think the people of this country will be hard to convince that such is the case. If it was a war measure, why was it postponed until the third year of the war? If free wheat were a necessity during war time, it should have been given a little earlier, say two years ago. To my mind it is simply a death-bed repentance on the part of the Government: they are endeavouring to fulfil their obligations to this country, especially to the people of the West.

Another feature of the Budget which has my most hearty approval is the taxation of war profits and other profits. I think this is a step in the right direction. Notwithstanding the fact that we may look for a speedy termination of the war, I trust that this Government or any other Government that may succeed it will continue to raise money by taxation of exorbitant profits arising not only out of war business but in any other business. If I have any criticism to make in regard to that feature of the Budget, it is that the Finance Minister has not gone far enough; he should have made the percentage a little higher. If we may judge from the circumstances and facts surrounding this feature of the Budget, the Government look on taxation of profits as merely a temporary expedient, and when the war is over they will probably resort to the ordinary taxation methods. Personally, I do not think they should do so. I think that we should look for a decrease in the tariff in the future, and if we are to have a low tariff it will be necessary to raise the new revenue by taxation of profits.

I am sure the people of this country will condemn the Minister of Finance for not introducing an income tax. The Finance Minister tells us that an income tax would be unworkable in Canada at the present time, and I have no doubt there would be many difficulties in the way of raising income tax in Canada at the present time. But difficulties will arise in all reforms of this nature. Governments must expect difficulties, and must face them in no cowardly

fashion. They had difficulties in Great Britain, no doubt, when income tax was introduced there years ago, and they had similar difficulties in the United States, and certainly the difficulties the United States had to face about a hundred years ago, when income tax was introduced there, were quite as great if not greater than the difficulties we should have to face at the present time. The Minister of Finance says an income tax should not be resorted to by the Government until the necessity becomes clearly and unmistakably apparent. Well, Sir, if ever there was a time in this country when the necessity for an income tax was unmistakably apparent, it is now when we need such a large revenue to meet our obligations. If I am correct in assuming that taxation of profits is merely a temporary measure, then we must look to some others means of taxation in this country for the future.

And I do not know any more expedient means of taxation than the income tax. Many people say that this system would be unfair to the persons who have small incomes, especially with the prices of necessaries so high as at present. That depends on how the tax is levied. It would be unfair to put a high income tax on the man whose income is only $1,000, but any man who has an income of $3,000 or upwards could well afford to pay an income tax. But these are not the only persons who would be affected. The income tax would raise revenues from the people who now are not touched at all by any form of special war tax, the half-millionaires, millionaires, multi-millionaires, who derive large incomes from money invested in various channels where it is now untaxed. I hope that when the next Budget comes down the foundation will be laid for an income tax system for Canada. Though the people of Canada have contributed $350,000,000 towards war expenditure by domestic loan, and $40,000,000 for patriotic purposes, yet the time is coming when the country will have to face, unaided by these special contributions, very large expenditures, and we who hope for a downward move in the tariff must look for other means of raising public revenue; and I say that the only legitimate other means in sight is that of an income tax.

Many hon. members who have taken part in this debate have congratulated the Minister of Finance on the large revenues which he was able to report in his Budget. They have congratulated him also on the fact that the value of our exports is greatly in excess of the value of our imports. Well, this may be a matter of congratulation or it may not. If we were sending $100,000,000 out to pay interest on our public debt, that would appear as an export, but it would not be a matter on which Canada should be congratulated. The system of domestic loans, if it were extended, would mean a smaller amount of interest paid outside our own borders, and this would show in the form of a relatively smaller export of goods. In this sense, a reduction of exports may be a sign of prosperity and of sound finance.

We have been asked to practise thrift and economy. The natural presumption is that those who call upon others to practise thrift are practising it themselves. There is an old saying that charity begins at home, and the Minister of Finance and hon. members of this House may be reminded by those to whom they give such good advice that thrift is like charity in this respect. I am not in a position, I am sorry to say, to declare that the Government has taken the lead in the matter of thrift and economy. Consider, for instance, the increases in expenditures by the Dominion. I have compared the figures for 1911 with those of 1915, and they work out as follows:

Percentage of increase of expenditures, 1915 as compared with 1911.

	Per cent.
Justice	13
Arts, Agriculture and Statistics	300
Civil Government	88
Fisheries	91
Mines and Geological Survey	92
Immigration	50
Indians	65
Lighthouses and Coastal Service	30
Miscellaneous	151
Mounted Police	32
Public Works (Con. Fund Account)	233
Public Works (Collection of Revenue)	67
Customs	72
Yukon	14
Excise	18
Post Office	114

It will be noticed that there is an increase of 50 per cent in the expenses on account of immigration. If there is any one branch of government of which it may be said more than any other that its expenditure should not have increased, it is the Immigration Branch, and, indeed, the whole Department of the Interior. I shall refer later on to the matter of the exodus and shall show by conclusive figures that more people are leaving this country than are coming in. Why the expenditure of the Immigration Branch should increase 50

per cent in four years under such conditions is more than I can understand. As to the increase in expenditure in the Mounted Police, I do not know whether that takes in the police expenditure of the West or not. If not, then as the Mounted Police can hardly be the necessity they have been in the past, the expenditure ought to be going down instead of going up. There is an increase of 12 per cent even in the expenditure on the Yukon. This is another instance which goes to prove that this Government is not practising business economy but is rather taking the other course. For in the Yukon—and I am making no reflection on that country—there should not be the same burden of expense upon the Dominion treasury that there formerly was, because it is well known that the population of the territory has declined very much indeed. Besides the department I have named there are Dominion Lands, Railways and Canals, Weights and Measures. There has been a very great increase in the Militia Department. Of course it has been necessary greatly to increase the number of employees in that department. I shall have something to say about that later on.

But here is a Government that is telling the people that they should practise thrift and economy. Of course, the Minister of Finance is only doing his duty when he gives that advice. I think that the Government which gives that advice—gratuitous advice—should certainly make some attempt to practice the virtue that it commends to the attention of others. But, until the contrary is shown me, I am compelled to believe that the Government is very far from practising thrift. The hon. member for St. Antoine, Montreal (Sir Herbert Ames), I think it was, made the statement in this House that the appointment of additional employees is discouraged, as well as any increase of salaries.

While the appointment of additional employees should be discouraged, nevertheless the appointment of additional employees is going on. I had it a day or two ago, on what I consider to be fairly reliable authority, that the hon. the Minister of the Interior (Mr. Roche) during the present year has appointed 400 new employees in the Forestry Branch of his department. While the hon. gentleman says new appointments are being discouraged, new appointments, nevertheless are being made. In regard to the statement of the hon. member that the advancement of salaries should be discouraged, I desire to say that if there ever was a time when the salaries of low paid officials, either in the employment of the Government, or of corporations, or of private concerns, should be advanced, it is the present. I do not think it is necessary to extend that argument farther than to say that the prices of commodities, of the necessities of life, have gone on increasing until in some cases they have advanced 100 per cent, while the average increase is 45 per cent. In view of that fact, if there ever was a time when not only the Government of this country, but all the employers of labour should advance the salaries of their servants, that time is the present. Therefore, I do not agree with the hon. member for Montreal, St. Antoine, when he makes the statement.

As far as the Militia Department is concerned, before the war, that department had 103 employees, and since the war it has 2,078. I would not say that these employees are not necessary. Since the war the Separation Allowance and Assigned Pay Branch has been established and the employees number 604; the Records Office is also a new branch, with 634 employees; the Estates Branch is a new branch with 31 employees; the Paymaster Casualties Branch has 41 employees; the Audit Branch, 5; the Record Branch, 48; and the Deputy Chief Censor's Branch, 8. These are all new branches and there is reason for the appointment of these employees. But in the other departments, where business has not increased, possibly with the exception of the Customs Department, I cannot see the necessity of the very large number of new employees who have been added to the staffs of these departments.

The hon. the Minister of Finance (Sir Thomas White) and the Government have been congratulated by their friends and others because of the good times which prevail at present. There is no doubt that, compared with the years 1912 to 1914, there are good times in this country, but I do not think that the Government of the day should take very much credit to themselves for having brought about these good times. During the years from 1912 to 1914 Canada faced a very serious situation. Factories were closed down and thousands of men and women were out of employment and walking our streets. Then the war came and the munition factories grew up. It is a good thing, and the people are to be congratulated upon the fact that to-day they are able to turn out millions and millions of tons of war munitions with which to fight the common enemy. That is all very well, but the situation, as far as prosperity

is concerned, arises alone and altogether from the fact that these large industries have sprung up. They are a blessing, therefore, but as far as the rest of the country is concerned, as far as our ordinary industries and manufactories are concerned, outside of those which are manufacturing the necessities of war, the country is in no better position, it is not in as good a position as it was in 1910. As a matter of fact, it is in a worse position. The labouring man has a harder time to exist, a harder time to live, a more difficult task not only to provide for himself, but to fulfil his obligations to his children and those dependent on him. I know that is true in the part of the country from which I come. While it pleases the hon. the Minister of Labour (Mr. Crothers) to say that there is no distress in this country, I say that there is a large measure of distress due to the exorbitant prices which are being asked for the necessities of life. If the Government is to be congratulated on the fact that we have good times, I say that is true to a certain extent, but that it is as false as false can be to a still greater extent. The Minister of Labour the other evening criticised us on this side of the House for daring to say anything which would reflect in any way upon his department, or upon the manner in which he was conducting, or misconducting, that department. We, on this side of the House, as hon. gentlemen on the other side of the House representing constituencies, like to voice the grievance of the people in these constituencies, and the greatest grievance we have to voice in this House at the present time arises from the fact that the prices of foodstuffs have been allowed to soar so high that to-day it is practically impossible for the ordinary labourer to provide for the actual and bare necessities of life. That is not an exaggerated yarn. Any hon. gentleman who will take the time to go into this question must come to the same conclusion. The cost of labour has not gone up very much. In our own part of the country it has gone up perhaps fifteen or twenty per cent and I am looking to a still further increase, but when we look around and find that the cost of living has gone up 45 per cent we see that the people are suffering an actual hardship in the effort to sustain themselves and their families. A man who was getting $2 a day two years ago is perhaps getting $2.20 at the present time. How far will that go towards maintaining a large family?

When the Minister of Labour says there is no distress he does not know this country, he does not take the trouble to know it and I am afraid he does not take the trouble to investigate the facts in connection with the cost of living. He tells us, of course, that he did certain things, that he was responsible for the passing of the Order in Council by which the excessive cost of foodstuffs, and other commodities, could be investigated. He tells us of the sleepless days and nights he has spent over this matter. He makes two speeches in this House in the last two weeks, on this important question, one a duplicate of the other, but while all this is going on, while the minister is taking credit for having succeeded in passing this Order in Council, and while it takes two speeches to try to satisfy the people that he is doing something, what consequences are flowing from that Order in Council and from what the Minister of Labour has done? The price of foodstuffs is still soaring. Can the Minister of Labour point to one single commodity the price of which has not been raised in the last two years? Can the minister point to one commodity the price of which has been decreased through the Order in Council which he succeeded in passing? That is a fair test. Can the minister show that the price of one of the necessities of life, which an ordinary family has to use, has decreased through his labours or through his Order in Council? He cannot, and that is the test of the efficiency of the Order in Council which the Minister of Labour has passed. It reminds me of a friend of mine who was speaking of a neighbour and who said that he had a large supply of very inaccurate knowledge. There may be this difference between my friend's neighbour and the Minister of Labour, that while my friend's neighbour had a large amount of information of a very inaccurate kind, the Minister of Labour apparently has no information at all, and, further than that, his activities are misdirected, and his labours are useless, because if he is unable to point out any good that has come of these labours, then I say they are misdirected and useless and a waste of time. Two years ago, the hon. member for Brantford (Mr. Cockshutt), who is a valued member of the other side of the House and who always takes an active interest in public affairs, introduced a resolution in this House warning the Government and calling upon them to give some attention to the price of food-

stuffs in Canada. Everybody who had anything to do with either the commercial or political life of this country knew that the price of foodstuffs was bound to increase during war time. I had the pleasure at that time of supporting the resolution as warmly as I possibly could. I suggested then, as I think the hon. member for Brantford suggested, that this Government should take certain control of foodstuffs, that they should appoint a food controller who would be keen and alive to his job, who would go about the country investigating, and at whose instance the Government would place certain maximum prices upon foodstuffs. The Government did not heed the warning. I remember quite well that the Prime Minister at that time said it would be an impossibility; it would be running against a rock of Gibralter; it would interfere with the commerce of this country The Australian people did not think so. The result is that to-day, as the hon. member for Brantford foretold, living is almost an impossibility to the ordinary men; and yet the Minister of Labour says there is no distress in this country, and he promulgates an Order in Council whose affect has been nil—it has accomplished absolutely no good. If I am wrong in this statement, I should like to be put right, and to have it pointed out to me in what direction this Order in Council has made good. Has the work that has been done in connection with this Order in Council reduced by one iota the price of any foodstuff or other commodity that it was intended to affect?

The Order in Council is rather extended, and I shall not read it to the House. It provides a method by which certain things may be investigated. For example, it provides a method by which the council of a municipality, a town council for instance, may investigate the prices of commodities in its immediate neighbourhood. I pointed out to the Minister of Labour the other day that this was a most absurd proposal in many instances. In our own province, for example, we have municipal councils covering in some cases hundreds of miles of territory. They meet once a year, I think in February, in some municipalities twice a year, in February and April. If the people of those municipalities have to wait for a whole year in order to place before the council of the municipality any grievance that they may have as to existing high prices of commodities in their neighbourhood, you can see what the value of the Order in Council is as regards those localities. In cities and towns that is overcome by the fact that councils meet once a week at least, in some places more frequently. That is one instance. But why did the Minister of Labour, apart from that phase of the question, place the onus upon the councils of municipalities? Why did he not himself tackle this subject? He is not a very busy man; his department are not very busy people. Why did they not tackle this proposal themselves? The retail merchants of this country—and I think I am voicing the sentiment of the great bulk of the people when I say this—are not responsible for the high prices of the commodities which they sell. As a matter of fact, I know of retailers who are selling below the price they are paying to wholesalers in order to accommodate, in some small measure, those who deal with them. In many parts of this country we have no large wholesalers. In the town from which I come, I do not think we have any wholesalers. If then we find that the price of flour is enormously high and we want our town council to investigate, where are they to investigate that question? They know quite well that the retail merchants are not making the profits on flour that they made several years ago, and they are allowed to investigate only those matters within their own jurisdiction. We have no wholesale dealers within our jurisdiction. What is our town council to do? They cannot go to Montreal, they cannot call upon the wholesaler in Montreal, Toronto or Halifax to appear before them and show cause why the price of flour is so high, because these people are outside the jurisdiction of that council. Surely the Minister of Labour and the Government can see that in those cases the Order in Council is absolutely useless. In ordinary times an Order in Council which would require, first, that the Minister should investigate, second, that the town council or council of the municipality should investigate, and then that the report of this town or municipal council's investigation should be sent back to the Minister who would then confer with the municipalities, and the municipalities would then refer the matter to the Attorney General of the province, surely that would not be the way to deal—I might say dally—with a question of primary importance in this country, as the high price of food has been for the last year, yes for the last two years.

I am not one of those who think that every other country is better than Canada, or that every other country is better governed than Canada. I believe that we have

the greatest country in the world and one of the best governed, irrespective of what political party controls the political destinies of the country for the time being; but in the matter of controlling food prices, I think we lag behind all our Allies, for every one of them has tackled this subject in a practical way, and has done something to retard what I may call the awful increase in the cost of the commodities of life. This Government is the only one that has failed in this respect, and I think it should be severely criticised and brought to task for its lack of action. I hope the criticism which has been made on this question, if it will not waken up the Minister of Labour, will at least waken up the other members of the Government and make them alive to the fact that they are face to face with a very critical situation in Canada, the most critical in our history since Confederation.

The Minister of Labour, in two speeches of two hours' duration, tells us that through the joint labours of the Labour Department and the labouring people of Canada this Order in Council was drawn up. I repeat that if he or any member of the Government, or any man in this country can show us any good that has come from this Order in Council I shall be the first to bless him. But the good is apparently not there, because, although the Order in Council has been in existence several months, the rise in the price of the necessities of life during that time has been marvellous. Some of the other members of the Government should tackle this question in a live way. If they do they will have the blessing of the people, and I can assure the Minister of Finance that he will have my blessing, however much that may be worth.

The criticism which has been directed against the Government has not all come from this side of the House. The most cutting criticism that I heard in this House against the attitude of the Government on the question of the high cost of living came from a gentleman who occupies a seat on the other side. The hon. member for Brantford (Mr. Cockshutt) a few nights ago said:—

> Every country that professes to have a government has taken steps to control food prices.

No hon. gentleman on this side of the House made any such severe criticism as that.

It is not only the Liberal press which is criticising the Government in this respect. I picked up yesterday the Halifax Herald of May 12, 1917, which is the political organ of the Conservative party in the province of Nova Scotia. It quotes an advertisement appearing in the Winnipeg Tribune concerning the high price of flour in Winnipeg at that time, $14.50 a barrel, and, in the editorial comment, it says:—

> We appreciate the difficulties under which the members of the government have labored, and which still confront them in the prosecution of a great task. It is safe to say that no government in the history of Canada has accomplished more than the present Administration. The magnitude of the task, the well-nigh overwhelming nature of the crisis which suddenly confronted Canada in August, 1914 can scarcely be estimated, and the results achieved are universally recognized as being magnificent.
>
> We have no wish to harass the government, but it is our belief that the time is now fully ripe for the Administration at Ottawa to deal firmly and speedily with the question of the alleged hoarding of food supplies.
>
> In every nation, and every community, there are unfortunately a certain class of individuals who are quick to seize upon any opportunity which a crisis may afford for the sole and selfish purpose of enriching themselves at the expense of their fellows. The present food situation has been readily taken advantage of by unscrupulous food speculators to hold up various food commodities thus artificially inflating the price, the burden of which obviously falls on the masses. Such a course of action is shamefully unpatriotic, and certainly not worthy of any Britisher. Letters of protest in the press, strong invective poured forth in some platform utterance are utterly powerless to touch either the conscience or the manhood of the food-hoarder whose only god is GAIN. The strong arm of the government is alone capable of dealing with this problem in an effective manner.
>
> At this present hour in Halifax the price of flour has soared to over $17 per barrel; potatoes cannot be purchased under 70 cents per peck; it is therefore not to be wondered at that rumours are current to the effect that Nova Scotia itself is not wholly free from the grasping hand of the food speculator. We think it is high time to call—Halt!

This is the opinion of a Conservative organ in the province of Nova Scotia.

The labour organizations of Canada have taken up this question. They have passed resolutions—copies of which, I dare say, are now in the hands of the Government—calling for speedy action. The Halifax District Trades and Labour Council has endorsed a resolution adopted by the Sydney Trades and Labour Council with reference to Government control of food. The latter part of the resolution reads:—

> Be it therefore resolved, that the executive council ask for Government control of all foodstuffs until it is positively ascertained that our domestic needs are fully provided for and the cost of living reduced to normal conditions.

Perhaps it is rather too much to ask that the cost of food be reduced to that which

prevails in normal conditions, because we are not now living under normal conditions. I do not think, however, that the ordinary people are asking that the price of foodstuffs should be brought down to what it is under normal conditions. But what they are asking and what they will continue to ask is that the cost of the necessities of life should be kept down under an abnormal amount.

4 p.m.

I said a few moments ago that there was no apparent reason why the expenditure of the immigration Branch of the Department of the Interior should have increased about 50 per cent during the period from 1912 to 1915. When hon. gentlemen are told that an actual exodus of people is taking place from our country, they have food for reflection, and they are impelled to give some thought to the reasons why the expenditure in connection with immigration should be so large. I shall not go to the political press for the figures which I am going to give. The following paragraph from the April number of the Labour Gazette may very profitably engage the attention of the Department of the Interior:

> Of persons other than citizens of the United States, 1,043 left the United States in February, 1917, to take up permanent residence in British North America, as compared with 1,206 in January, 1917. On the other hand, 7,304 persons, other than citizens of the United States, departed from British North America in February, 1917, to take up permanent residence in the United States, as compared with 10,557 in January, 1917, indicating for British North America an outward balance of 6,261 in February of this class of persons as compared with an outward balance of 9,351 in January, 1917.

So that during the months of January and February of this year, there was, not taking into account American citizens, an outward balance of 15,612 persons. That does not indicate that there is that condition in this country which the Minister of Finance would lead us to believe. If the conditions were similar to those which prevailed before 1912, the figures would not be such as they are, because in that year the inward balance was far in the preponderance.

Another thing which the Immigration Branch of the Department of the Interior should take steps to inform itself about is what kind of people are going out, where the exodus is greatest and what is its cause. Are these people going out to escape military service? I do not think that they could be going out at that time to escape military service, because there was no conscription. Are they going out because of the fear of conscription in the future? I do not think that they are, because in the United States they are nearer to conscription than we are in Canada. The Government should obtain full information concerning this exodus, and should find out what kind of people are coming into the country and replacing those who have gone away. With regard to the Budget, that is all I have to say.

[Mr. Carroll.]

On reading Hansard of May 8, I was personally aggrieved to see some references made by the hon. member for Frontenac (Mr. Edwards) concerning the right hon. gentleman who leads His Majesty's loyal Opposition in this House. Had those words come from the lips of the hon. member for East Simcoe (Mr. W. H. Bennett), I do not think I would pay very much attention to them; but as they come from a gentleman who for half an hour scored hon. members on this side of the House for their narrowness and their bigotry, I think some attention should be paid to them. This is what the hon. member for Frontenac is reported in Hansard to have said on May 8, page 1269:

> I have not great admiration for a leader who posed as a man desiring interprovincial amity and concord, and has encouraged his compatriots to the verge of revolution. Nor do I admire a leader who said that he would not seek to open the doors of office with a bloody key, and has smiled approval on tactics which have encouraged the enemy, retarded enlistment, and were intended solely to serve party ends.

In a time like this, when the people of this whole Empire are doing their utmost to keep the Union Jack floating, and to be in a position in the future to sing that song we are all so fond of—"Britannia Rules the Waves;" when Canadian families have been giving of their resources and of their blood to ensure that in the future the Union Jack shall fly as freely as it has done in the past, it is wrong that a right hon. gentleman who has led a political party successfully for some twenty-one years should be pointed out and painted to this country practically as a rebel, and that the intimation should be thrown out to the people of Canada by an hon. member, that the conduct of my right hon. leader has encouraged the enemy and retarded enlistment, and that he has encouraged his compatriots—I presume that refers to the French Canadians—to the verge of revolution. Those are generalities and I challenge the hon. member for Frontenac to attempt, in any future utterances which he may care to make in this House, to prove

by one fact or by one utterance, the statement that he has made. It is high time that the hon. member (Mr. Edwards) should realize that this Empire is engaged in a serious war; that we are in the greatest crisis in which we have ever found ourselves, and that those sentiments to which he gave utterance the other day are not calculated to heal any sores that at the present time may be running in this country, but are calculated, on the contrary, to mark him as a man of very narrow vision, of very narrow ideals, and as a man who is attempting for political purposes to keep these sores open. We on this side of the House—and I do not think it should be necessary to reiterate this—are as loyal to the cause for which many of our friends have shed their blood as is the hon. member, and with the exception of the hon. member for Frontenac and the hon. member for East Simcoe who charged me with running away in order to escape the bullets of the enemy and with returning to Canada unscarred, there are few on the other side who would give utterance to such sentiments. We want it known in this country that we have a leader who, from the moment the gauntlet was thrown down by Germany and taken up by Great Britain, has done his utmost to fulfil the duty that is his by virtue of his being leader of the Opposition. Had he not done that and had we not confidence in him that he was doing his duty, he would not be our leader to-day; we would see to that ourselves. We have every confidence in the loyalty, not to speak of the integrity, of the right hon. gentleman who has successfully led the Liberal party for upwards of twenty-one years. Any man who introduces such questions and who tries to cast aspersions on my right hon. leader is not acting in the interest of this country at this or at any other time. Further on, the hon. member (Mr. Edwards) said:

> A minister of the Crown seeks to impress upon the audience the importance of their duty in regard to the war, and he is hooted and jeered at and howled down by young men in that audience who evidently do not wish to listen to any appeals along the lines of recruiting or enlistment.

The hon. gentleman is no doubt referring to the reception which the hon. Mr. Blondin received in Montreal. No man in this House condemns the action of those young irresponsibles more than I do myself, and I think the same condemnation will be meted out to them by every hon. member. But he goes on to say:

> The reason for this, Mr. Speaker, is clear. The man who is responsible for the condition of affairs that exists in the province of Quebec is the right hon. gentleman who leads the Opposition.

I think I am within the truth when I say that the leader of the Opposition was the first public man of note in this country who took the recruiting platform shortly after war broke out in August, 1914. Did the hon. member for Frontenac make any great efforts towards recruiting?

It is a crying shame, Mr. Speaker, and such tactics as those resorted to by the hon. member for Frontenac should meet with the condemnation of every right-thinking member of this House. I might have something to say, if I were so inclined, as to the cause of the reception that was given to the Hon. Mr. Blondin in Montreal the other day, but I shall say nothing about that now, except that the Militia authorities in this country have allowed a gentleman in the province of Quebec to wear the uniform of a colonel for the past four years notwithstanding the fact that he had the audacity to get up in the legislature of the province of Quebec and use the most seditious language. I understand that that gentleman, Armand Lavergne, still wears the King's uniform of a colonel, and is now recruiting for home defence in Canada. I do not know whether that is correct or not.

Sir WILFRID LAURIER: He is not recruiting.

Mr. CARROLL: He has charge of Home Defence in some way or another. In view of the sentiments he has expressed, I say that the Militia authorities in this country should not allow him to wear the King's uniform, and I would advise my hon. friend from Frontenac to devote his energies to seeing that the King's uniform is not disgraced in that manner. Armand Lavergne was the same gentleman who at a public meeting at St. Stanislaus, Quebec, on November 7, 1915, said:

> If I had wanted to be a Cabinet Minister I could have been one four years before Blondin. The late Mr. Monk of Quebec, head of the Borden Government, offered Mr. Bourassa and myself porfolios. We refused, for we wanted to be free men. They wanted to know then in what way they could recompense me, whether with money or with a position, but I told them my reward was to have them keep their word of honour. They have not done so.

There is a long story connected with that, but the present is not a fitting time to go into it. When the hon. member for Frontenac makes such accusations as he did the

other night against the right hon. leader of the Opposition I can tell him that the people of this country know something about a coalition that has existed in this country since 1911. The people are not blind; they have eyes to see, and ears to hear, and are of fairly good judgment and understanding, and when the time comes they will probably show how they resent the utterances of the hon. member for Frontenac and of other hon. gentlemen in regard to the responsibility for the small number of recruits that are being obtained in the province of Quebec, and kindred questions. I would not have referred to this matter at all had it not been for the statements of the hon. member for Frontenac the other day. I think his statements were entirely uncalled for; they were not compatible with truth, and certainly not compatible with British fair-play, and I think such statements should be frowned on by every man who is deserving of the name of Canadian.

Mr. S. FRANCIS GLASS (East Middlesex): I have listened with a great deal of interest to my hon. friend (Mr. Carroll) who in the course of his address has laid considerable stress on the rapid increase in the price of foodstuffs in this country, devoting special attention to the price of wheat and flour. I do not wish to continue the debate, but I should like to ask my hon. friend first of all, whether in his opinion the price of wheat bears any relation to the price of flour. Secondly, whether he is of the opinion that the price of wheat is controlled by any powers in this country. Representing a constituency of agriculturists, I should also like to know whether in his opinion the Government should have taken steps to fix the price which the farmer should receive for his wheat. Without such an arbitrary price for wheat I am unable to see how the price of flour could be regulated in this country. I should like to be able to tell my constituents just what the attitude of the hon. gentlemen opposite is in regard to these matters, so perhaps my hon. friend will answer these questions.

Mr. CARROLL: If my hon. friend wants me to answer these questions, perhaps it would be better for him to put them in writing. His first question, however, I think entirely frivolous because every one knows that the price of flour is controlled by the price of wheat. Replying to the second question, there is a power in this country that could control the price of foodstuffs, and that power is the Government of the day. Replying to the third question if the hon. gentleman had followed my remarks he would have seen that I was arguing all along for a maximum price for foodstuffs We have a precedent for that in Australia and in Great Britain; the United States have also taken strong measures in the same direction.

Mr. GLASS: If I understand my hon. friend aright his argument is that the Government should fix the price which the farmer should receive for his product.

Mr. PUGSLEY: And the miller also.

Mr. CARROLL: Yes. I do not know whether it is out of order for me to answer these questions, but the fault is not mine. The British Government wished to buy up the whole wheat supply of this country, and through the Minister of Trade and Commerce offered the Western farmer $1.35 a bushel for the whole year's supply. The farmers were not satisfied with that, but said they were willing to sell the year's output at an average of $1.55 per bushel. If our farmers were willing to sell for $1.55, how is it that wheat is selling to-day at $3 per bushel? Why did not the Government step in and say, we will fix the price at $1.55 on the average?

Mr. GLASS: My hon. friend would fix the price at $1.55.

Sir WILFRID LAURIER: All these questions can come up in committee, not now.

Mr. GLASS: I want clearly to understand——

Mr. SPEAKER: Order.

Mr. ROBERT CRUISE (Dauphin): Mr. Speaker, I have listened with surprise to hon. gentlemen opposite praising this wonderful Budget of the Minister of Finance. In my humble judgment, the Budget is no compliment to the intelligence of the people of this country. A Budget was brought down in Great Britain a few days ago. They know they are at war in that country, especially do the rich. While the British Chancellor is taking 80 per cent of the gross war profits and raising enormous sums, the Canadian Minister of Finance runs a small tooth comb through the fringes and raises the paltry sum of $12,500,000. It is time our rich men were making sacrifices commensurate with those of the boys in the trenches. There is a great contrast between that $12,500,000 and the twelve

thousand casualties at Vimy Ridge It is time our manufacturers disgorged. Lloyd George, at the commencement of this war, said that men and money would win the war. Canada has given over 400,000 of her brave sons to fight the battles for freedom and justice in France. And when I think of the hardships that these men have to undergo, in the trenches with water to their knees, and sometimes to their hips in mud, sometimes going for days and nights without food and sleep—when I think of the sacrifices these men are making on the fields of France and Flanders, and then think of the paltry sum of only twelve and a half millions taken from the wealth of this country toward the expenses of the war, I think it time that some change were made in the matter of raising money to meet war expenses. As I speak there comes to my memory instances of the sacrifices that have been made. In the principal town of the constituency I have the honour to represent are a number of widowed mothers. One of these mothers had two sons; both those sons went to the front and gave their lives cheerfully on behalf of this country. And the widowed mother must put in the rest of her life on $22 a month, the gift of a grateful country. Another woman lost her husband in a Canadian Northern wreck several years ago. She had three or four sons. Of these, two went to fight our battles, and they will never return. Still another woman lost two of her five sons in defence and for the maintenance of the world's freedom. When I think of these sacrifices and then of the fact that the wealthy men of Canada have given only twelve and a half million dollars, I am compelled to say that is not a square deal for the common people. And in my constituency—and I presume that the same is true of every other part of Canada—the noble women have worked night and day, sewing, and knitting, and raising money in every way to give to the Patriotic Fund, Red Cross, and Soldier's Aid Society. These people give every dollar in their power, and the wealthy men of Canada have been left practically untouched. In calling for volunteers to fight, we do not take the weak men; if a man is not physically sound, he is turned down. If we want men who are physically strong to fight our battles, surely it is only square to the people that we should look to the men who are strong financially to pay for the war. The Solicitor General (Mr. Meighen) has told the House that the war orders last year amounted to $300,000,000. If our Minister of Finance had taken of war profits to anything like the same extent as in Great Britain, he would have had a great deal better showing to make in taxation. Instead of $12,500,000, he could have shown war profits taxation of $100,000.000. Hon. gentlemen opposite have asked us how we propose to raise revenue if not by tariffs. I have just pointed out one way in which a large sum could be raised. Further, there is no reason why the Finance Minister of Canada should not follow the example of Great Britain and the United States in the matter of income tax. Again, certain calculations have shown that a tax of one per cent on land values in Canada would yield large revenues. Mr. Henry Timmis, of Montreal, in a speech reported in the Montreal Herald and Daily Telegraph of March 28, 1917, estimated that the land values of Canada total $8,000,000,000—five billions in the towns and cities and three billions in the rural districts. A tax of one per cent on this valuation would bring revenue to the amount of $80,000,000 per annum. I have already shown where the Minister of Finance could have got $100,000,000 in war taxation, and I think that my estimate is a very moderate one, for men who pretend to know say that instead of $100,000,000 he could have taken $200,000,000 from the manufacturers during the last fiscal year. Then, if he had imposed an income tax, I feel satisfied he could have raised at least $50,000,000 by that means. I am not sure of my ground in this respect, having no means to make more than a rough calculation. The minister has financed the war from the revenues of the year just closed to the extent of $60,000,000. Now, taking all these items together—$100,000,000 direct war taxes, $80,000,000 land value tax, $50,000,000 income tax and $60,000,000 surplus revenues of last year, and we have a total of $290,000,000. I submit in all fairness that if the methods I have suggested had been adopted, we could have financed the war as we went along, which would have been much more satisfactory to the Canadian people than to balance our accounts by borrowing money, thus leaving future generations to pay the bill. Had the Minister of Finance the courage to follow these methods, he could have accomplished two things. In the first place, he could have removed some tariff taxation. For instance, he might have taken the tax off agricultural implements, and this would have given a tremendous boost to production. There is no further excuse for this tax, for our manufacturers now have free entry to the United

States, of which they have taken advantage —many agricultural implements made in Canada are now sold more cheaply in the western States than in our own country. These patriotic gentlemen are making production easier in the United States by robbing our own farmers. Let me dwell on this point for a moment to show what the western farmer is called upon to endure. When he buys agricultural machinery he has to pay a duty of from 25 to 27½ per cent. Let me cite my own specific case. I bought a gasoline tractor and a separator, and, as nearly as I could figure, I paid duties amounting to $500.

Mr. A. K. MACLEAN: What was the price?

Mr. CRUISE: I paid $1,275. I do not know what the valuation is in the United States.

Mr. C. A. WILSON: An American machine?

Mr. CRUISE: Yes, if you want to be loyal to your country buy American machinery, because then the revenue goes to the Crown. We have to pay more for every thresher, binder and mower, and yet we get no more for our products than does the American farmer, and so the American farmer is given an advantage over us by our own laws. If the Minister of Finance could only see his way clear to adopting this method of raising the revenue, he could remove a burden from the western farmers and put them on a fair competitive basis with the American farmers. In that way he would increase the production of western Canada. Speaking from memory, we produced $600,000,000 worth of grain last year in the three western provinces. That is $600,000,000 of clean, hard-earned money and if the burden were lifted from the farmers' back and markets opened up to them to encourage settlement, there is no doubt in the world that instead of producing $600,000,000 worth of grain we could produce twice that amount in a short time.

Before we get away from the war situation, let me say that the most important thing that we have to do at the present time is to win this war. There are four essential things in connection with it that require organization and support. First, there is the question of our men in the trenches, next the munition factories, then the farmers and producers, and lastly the transportation question. Our men in the trenches are no good without munitions with which to face the Germans. They can not face them for any length of time without food. Food and munitions are no good in Australia or Canada or the United States without means of transportation to get them to the men. I feel as if the Government had risen to the occasion in connection with practically everything but the finding of men to take the places of our brave soldiers who are in France. Our distinguished Prime Minister promised 500,000 men to Great Britain. He has failed so far in getting those men. I think it is up to every man on both sides of this House to do everything in his power to fulfil the Prime Minister's pledge to the British Government.

Another point I want to make while I am on this subject is that it appears to me as if this Government were centralizing the wealth of the country. Before the Prime Minister went to England he made the statement in this House that we were getting $700,000,000 worth of war orders. The Minister of Finance made the statement in Toronto that he believed after the war was over Canada would come out of it in a better financial position than that in which she was when she went into it. I would like to ask the Finance Minister and hon. gentlemen on the other side of the House, as well as on this side, who is going to come out of this war in a better position? It is not the common people of the country, it is not the men who are fighting our battles, but it is the men who are making millions out of the manufacture of munitions. It has been stated that they are making from 25 to 900 per cent. I do not know what they are making, but they are certainly making large profits, and they are allowed to invest them with the Minister of Finance in the war loans, with the result that they are exempt from taxation. In this way the Government are centralizing the wealth of the country. These men are making large profits, a good deal larger than they should make, and they are investing them in Government bonds, which cannot be taxed, so that, in my judgment, the Government are centralizing the wealth of the country in the hands of probably 3,000 or 4,000 people, which is a great mistake and a great hindrance to the progress of the country.

There has been a great deal said about the way in which this Government are financing the war. I would like to give a few figures bearing upon that question. The total expenditures, apart from the war, for the last three years, were as follows:—

Expenditure.

1914-15..	$182,192,033
1915-16..	170,317,847
1916-17..	173,000,000
Total..	$525,509,880

Now we will take the receipts for the corresponding years, and which were as follows:—

Receipts.

1914-15..	$133,073,481
1915-16..	172,149,393
1916-17..	230,000,000
Total..	$535,222,874

If you subtract the total expenditure from the total receipts you get the sum of $10,712,994. If I am correct in my figures, and I think I am—I do not want to mislead this House or the country—all that has been used to finance the war since it was started is $10,712,994. When hon. gentlemen are talking about financing a great part of the war as we go along, it seems to me that they are misleading the House and the country.

I would like to submit a few more figures in connection with the claim that the expenses of Government are not increasing. In the last year of the Liberal Government, 1911-12, the total disbursements were $137,142,082. In 1915-16 the expenditure of the present Government for a full year, apart from the war, was $170,317,847. If you subtract $137,142,082 from $170,317,847, you get $33,175,765 as the sum that it cost this Government during the last fiscal year to carry on the affairs of the country more than it did in 1911-12, the last year that the Liberal party had anything to do with the running of the country.

I come now to free wheat. I do not intend to dwell upon the question of free wheat to any great extent. It has been said that the farmers of western Canada are pleased to have free wheat. We are pleased to have free wheat because we have asked for it and we have fought for it. We have got it from the present Government, and we appreciate it very much. But we regret that when the Government, or the Minister of Finance, were turning a somersault they did not also give us free oats, free flax and free barley.

The Minister of Finance, when he made his last speech, mentioned the Highways Bill, and claimed that hon. gentlemen on this side of the House were against that measure. If I understand the situation, that statement of the minister is unfair. When the Highways Bill was under discussion, an amendment was moved that when any province got its allotment according to population, every other province should get its proportion on the same basis. That amendment was moved to prevent the hon. the Minister of Public Works (Mr. Rogers) from taking power to create an organization in each of the provinces to spend that money. Wherever there was a Liberal Government in power this Government would create another organization to spend the money, and the people of Manitoba know what the late Roblin Government did in connection with the building of roads. In some provincial constituencies they spent as much as $90,000 to win a by-election. We do not want that to occur again.

The hon. gentleman also mentioned the extension of the boundaries of Manitoba. We appreciate very much the extension of our boundaries, but every one in western Canada knows that the territory allotted to the province of Manitoba by this Government was the same as that offered by the late Government. The amount of money paid over may have been a little larger, but the territory was the same. In extending the boundaries of Manitoba, this Government gave Ontario a five-mile strip across the northern part of our territory and a strip ten miles down the Nelson river, half a mile wide; so that Ontario owns the townsite and this strip of land across the northern territory. The amendment moved by the right hon. leader of the Opposition (Sir Wilfrid Laurier) was to the effect that while the House favoured the extension of the boundaries of Manitoba the terms proposed were unfair and unjust to the people of Manitoba and the other provinces of the Dominion. That was the amendment moved, and for that I voted. When the Minister of Finance mentions Manitoba and what has been done for western Canada, and when hon. gentlemen cast insinuations across the floor of the House to the effect that the Opposition, when in power, did not carry out their pledges to the people, I would remind hon. gentlemen that when the present Prime Minister (Sir Robert Borden) was in western Canada previous to 1911, he told the people of the three western provinces that one of the first things he would do if he was returned to power would be to restore to the three western provinces their natural resources. I would remind hon. gentlemen that this pledge has never been fulfilled. I hope that it will be fulfilled in the very near future.

WAYS AND MEANS.

Motion of Sir Thomas White agreed to, and House went into Committee of Ways and Means, Mr. Rainville in the Chair.

On resolution No. 1.

RESOLVED, That it is expedient to amend the Business Profits War Tax Act, 1916, by providing:—

1. That in any business taxable under the Act where the annual profits exceed fifteen per centum per annum the tax shall be increased to fifty per centum with respect to all profits in excess of the said fifteen per centum but not exceeding twenty per centum per annum, and where the profits exceed twenty per centum per annum the tax shall be increased to seventy-five per centum with respect to all profits in excess of the said twenty per centum, and such increases in the tax shall be levied against and paid by the person owning such business for each and every accounting period ending after the thirty-first day of December, one thousand nine hundred and sixteen.

Mr. NESBITT: I presume that the reason why my hon. friend the minister made his tax in this way was because it touched the least number of people and was most convenient.

Sir WILFRID LAURIER: Hear, hear.

Mr. NESBITT: I know that it will be a detriment to the obtaining of capital in this country for industry. I presume it would, perhaps, be unwise and also not in accord with the general feeling of the people of the country if I were to say that it would be unwise taxation to endanger the investment of capital in this country. I do not know what the minister's aim is exactly, whether he aims to make this country a pastoral country altogether, or a farming community altogether, or if his aim is to stop big business in this country. If his aim is to stop big business in this country he is going the right way about it. If it is not to stop large business in Canada he is going the wrong way about it. The financial papers, as the minister knows, are protesting, some of them very strongly, against this taxation. A man named Kelly Dickinson, writing to the Financial Times, quotes three firms which have cancelled important contracts for enlargements of plant, etc. One Montreal company abandoned as contemplated investment of an additional $1,000,000 in their business. An American firm abandoned its intention to establish a Canadian subsidiary company with an initial investment of $2,500,000. Another firm, which had contracted for a number of new lathes to replace worn out lathes, cancelled the order and decided to do the best it could with the impaired and worn out plant. So far as I am personally concerned, I think there is no one thing that we want in this country more than capital. We cannot possibly develop the natural resources of this country without it. We hear a great many people talking, both after dinner and before, about the wonderful natural resources of Canada, but we cannot develop them without encouraging capital to develop them. My hon. friend, I think, is discouraging capital by his peculiar legislation here. I appreciate that it is absolutely necessary to get more revenue, but why my hon. friend should relieve all the people of this country who do not have $50,000 invested in their business from paying their proportion of the revenue is more than I can comprehend or could comprehend last year when the original resolution imposing this business tax was passed.

I do not think any of these manufacturers or business men would complain about paying the additional tax if my hon. friend would only make it equitable. But he does not make it equitable; he applies it only to businesses of a certain size, and the others he does not tax at all. Again, many professional men earning very large incomes entirely escape this taxation. I do not think that is fair. Having regard to the seriousness of this war and the absolute necessity of a large revenue, every business should pay its just proportion of taxation. My hon. friend may know of many people who would object to paying the tax, but I think that the great mass of the manufacturers put in honest statements in connection with last year's taxation, and I believe that the great mass of the people carrying on businesses in which less than $50,000 is invested would also submit honest statements. I do not think it would cost the minister very much more to collect the taxes from all of these businesses than it would to collect only from those which have a capital investment of over $50,000. Yet my hon. friend this year increases the taxation on those who are earning the larger profits. As I have said, I am quite sure that if the minister would spread the taxation over a larger area, as it were, and make everybody pay a share of the taxation, there would be no unwillingness on the part of the people to assist in this way to met the huge expenditure that is being made in connection with the war.

I have to find fault with my hon. friends of the Government for not assisting the people during the last year. The Minister of Agriculture and the Minister of Labour

had a golden opportunity, which, perhaps, will never come to them again, of rendering a very important service to the masses of the people. For instance, the Minister of Agriculture allowed it to be stated in the papers without contradiction that he had said that there were 2,000,000 bushels of potatoes in Canada more than were necessary for the ordinary consumption of the people. That was his opportunity to have seen that these potatoes were equitably distributed in those parts of the country in which they were required.

Mr. BURRELL: My hon. friend's statement is not quite correct. He says that I made a certain statement and allowed it to go uncontradicted; I am prepared to stand by the statement which I made as it is reported in Hansard. What I stated was that early in March, at a conservative estimate, there was a surplus of a million and a half bushels, and so there was. But I stated that a large number of potatoes had gone out of the country since that time, and I specifically stated the other day that that surplus did not now exist, or at all events, had greatly diminished, and that the provinces had all been advised of the facts and had taken action.

Mr. NESBITT: An hon. gentleman near me says that the million and a half bushels was the amount exported. As a rule, I am opposed to coercive measures on the part of a government, but that was a time when the Government would have been justified in using coercive measures. In other words, they would have been justified in placing an embargo on the export of potatoes. I am strongly of the view that the law of supply and demand should govern such matters, but conditions arise which justify a government in going to unusual lengths. Under conditions that are exceptional, the people are the first to be considered. In our section of the country—I do not know about other sections—during the last three or four months potatoes have been out of the reach of people who are working with their hands or who are receiving small salaries. My hon. friend says that his statement was that the surplus of potatoes was only a million and a half bushels. There is no reason why he should not have grasped the opportunity of distributing those potatoes in the areas where they were required. That would have been justified, having regard to the interests of the people. If the matter was one which came under the Labour Department, then the Minister of Labour would have been justified in taking that course. There are many other things that the Government would have been justified in doing during the last few months, but I have no wish to delay the committee; I simply wish to put my views on record before this measure is passed without amendment. I hope that the minister will see his way clear to enlarge this proposed legislation so as to make it just and equitable. My hon. friend says that he leaves the income tax to the provinces. He may be justified in that, to some extent; some of the provinces are adopting an income tax. I noticed the other day that the province of British Columbia proposes to have an income tax. In my opinion, this form of taxation is bound to come and we may as well face it first as last.

5 p.m. Certainly the scope of the profits tax legislation should be enlarged, because many men who have less than $50,000 invested in their business are, proportionately speaking, making more money than the men with from $50,000 to $100,000 invested. These men should pay their fair proportion of the unusually heavy expenditures which are being made during this time of war. I congratulate the country on the amount of business which is being carried on; it is an exceptional business, but the export of goods has been at an exceptionally high price. An increase in the value of imports does not necessarily represent an increase in tonnage of imports. In many instances the value of imports has doubled or trebled, whereas the tonnage has not appreciably increased. In a business with which I am connected, the tonnage of imports did not increase, while in the case of some of the imports the value was trebled.

Therefore, you cannot always judge the amount of business actually done by the total in dollars and cents of the imports and exports of this country during the last year or two. Although I have no doubt this item will pass from the committee and will become law, at the same time, I simply enter my protest against its scope not being enlarged.

Mr. A. K. MACLEAN: Before the minister answers the hon. member for North Oxford (Mr. Nesbitt) I would like to have the minister give approximately, if he can, the revenue he anticipates from the additional taxation provided for in the resolutions before the committee. In delivering his

Budget speech, the minister, if I remember correctly, did not venture to make any estimate of the amount that would probably be derived from this taxation, and I should like to have some idea, even if it be a rough one, of the revenue which the minister hopes to secure from this source.

Sir THOMAS WHITE: Listening to my hon. friend from North Oxford, I could not help but reflect upon the Protean character of the Opposition. My hon. friend from Dauphin (Mr. Cruise), just a few minutes before, had been attacking the Government as a whole and myself in particular because we were not taking more money out of the manufacturers. Only the other day, as I saw by the Press, my hon. friend from Sherbrooke (Mr. McCrea), in my absence, launched a violent attack against me for taking too much money out of the manufacturers.

Sir WILFRID LAURIER: No, not the manufacturers.

Sir THOMAS WHITE: Well, let us say the paper manufacturers.

Sir WILFRID LAURIER: Hear, hear.

Sir THOMAS WHITE: My right hon. friend, however, will not fail to have observed that another of his followers, the hon. member for North Oxford (Mr. Nesbitt), whom we are always glad to hear in debates of this kind, has taken the ground that the taxation is so severe that it is likely to drive capital out of the country and prevent new capital from coming in.

Sir WILFRID LAURIER: The taxation is strong all around.

Sir THOMAS WHITE: Does my right hon. friend object that it is strong all around? My right hon. friend is behind his usual lines of Torres Vedras. He has become so accustomed to that position that I rarely, almost never, expect to see him depart from it. He always likes to have a double policy; he likes, as they say, to play both ends against the middle. My hon. friend from North Oxford has said in the course of his remarks that this tax will be a detriment to obtaining further capital for industries, and he has made his own the articles which have appeared in the Financial Times of Montreal, violently denouncing me for introducing this excess profits tax, so that I find myself in the position of being attacked by some hon. gentlemen opposite for not being severe enough in the taxations and by others for being too severe. That is a position to which we are not unaccustomed in the course of debates in this House.

My hon. friend from North Oxford, in developing his argument, stated that there is nothing in Canada we want more than capital. If we were in times of peace, I might not be disposed to wholly agree with him, because there might conceivably be things that we require more than capital; but on the whole I think I would have agreed to him, to this extent at all events, that capital is a great desideratum to this country; more than that, it is a necessity for its development. But this is not a time of peace; this is a time of war, and there is at least one thing which is more necessary to Canada at this time than even capital, and that is that we win this war, or do what we can to help to win this war.

Mr. NESBITT: Is capital not required to win this war?

Sir THOMAS WHITE: I submit that what I have stated is correct.

Mr. NESBITT: How are you going to win the war without capital?

Sir THOMAS WHITE: At this time the winning of the war is more important than the attracting of capital. If my hon. friend would like me to develop that argument a little, I am quite prepared to do so.

Sir WILFRID LAURIER: Go on.

Sir THOMAS WHITE: There are in this country some industries which directly and materially assist in the prosecution of the war. They are absolutely necessary and we could not conceivably carry on the war without them. We have derived and the Empire has derived an enormous advantage from industries in this country which have by their output contributed directly to the winning of this war. In addition to that, there are in this country other industries which contribute indirectly to the winning of the war, and those industries are also valuable to the country. There are others which contribute to the support and maintenance of the people during the war, and again there are other industries which, neither immediately nor indirectly, contribute towards the winning of the war, but which nevertheless do contribute to the financial strength of the country during war time by exporting their products and in that way helping to create a favourable financial balance which is of advantage to the country in the winning of the war. These might be classed as industries in a way

assisting in the winning of the war. At this time it is an important thing to Canada to secure capital for the development of industries. It by no means follows—I do not say it is not desirable—that it is the most necessary thing. The most necessary thing in this country to day is to make available the man power of the country for the winning of the war, that is to say, for the replenishing of the ranks of our expeditionary force, for the production of munitions and other supplies, including of course food—

Mr. NESBITT: If my hon. friend means to say that he does not require capital for that purpose, that is nonsense.

Sir THOMAS WHITE: —in order economically to develop the resources of the country so that we may the more effectually carry on the war. As to the attraction of capital, I would agree at once, that it would be a very desirable thing that capital should flow into this country. Notwithstanding the fact that we have had to impose taxation, it is desirable that capital should flow into this country provided that it be used for the development of our resources, for the carrying on of the war or for making us strong financially. But I say this, that if capital is going to be prevented from coming into this country by reason of taxation which is necessary in order that this country may maintain the burden of the war, we might better impose the taxation and not have the capital than have the capital and not impose the taxation. That is the position I take with respect to this matter. It is no pleasure for any Government or for any Minister of Finance to have to impose taxation; but I do not know of any country that can carry on war without imposing taxation, nor do I know of any country that should attempt to carry on war without imposing taxation.

Mr. A. K. MACLEAN: No one takes exception to that.

Sir THOMAS WHITE: My hon. friend from North Oxford——

Mr. NESBITT: I did not take exception to anything of the kind.

Sir THOMAS WHITE: My hon. friend from North Oxford says that this taxation will prove a detriment to obtaining capital for industries. I have taken down my hon. friend's words. He produces the Financial Times to support his argument.

Mr. A. K. MACLEAN: He did not mean to say that he was opposing the taxation.

Sir THOMAS WHITE: He was opposing the excess profits taxation, which I have submitted to the House. Otherwise his words are meaningless.

Mr. A. K. MACLEAN: That may be true; that is another thing.

Sir THOMAS WHITE: Does capital flow into England to-day? England is taxed to the very bone; every industry in that country is taxed.

Mr. NESBITT: Does the minister think it would do any harm if capital did flow in?

Sir THOMAS WHITE: The excess profits tax in England raises $800,000,000.

Mr. A. K. MACLEAN: About £200,000,000.

Sir THOMAS WHITE: $800,000,000. That excess profits tax is severe to the last degree. Only recently has it been increased by the Chancellor of the Exchequer. If my hon. friend is right in his argument that capital will not flow into this country by reason of our excess profits tax, will capital flow into England with their excess profits tax?

Mr. MACDONALD: They have income tax in England.

Sir THOMAS WHITE: They have both excess profits tax and income tax; I want to make that clear, and I am glad my hon. friend has brought the point up. I have seen tax bills both with respect to income and excess profits in Great Britain, and I give you my word that on this continent we do not know what taxation means.

Mr. A. K. MACLEAN: Nobody is fighting that.

Sir THOMAS WHITE: My hon. friend from North Oxford has brought up an article in the Financial Times condemning this excess profits tax on the ground that it would be a detriment to obtaining special capital for industry.

Mr. NESBITT: I read what the Financial Times said; I did not say it myself.

Sir THOMAS WHITE: Do you agree with what the Financial Times said?

Mr. NESBITT: Yes, I do.

Sir THOMAS WHITE: My hon. friend agrees with it. He says that the excess profits tax will have the effect of preventing capital coming into Canada, and will be a detriment to obtaining capital for industry, and on that ground he says this taxation is objectionable; in other words,

he is against it. We have at least found out my hon. friend's position on this matter. He is opposing the excess profits tax on the ground that it is too severe, that it will be a detriment to Canada's obtaining capital for industry, and will prevent capital coming into Canada. I submit to this committee that neither of those are good grounds for not imposing an excess profits tax at this time. Let us see what it amounts to. The excess profits tax which I introduced last year was limited to three years, to three yearly accounting periods expiring after December 31, 1914. Reference has been made here this afternoon to the fact that only $12,500,000 was obtained the first year. But the first year was the year following the outbreak of war, when business was completely dislocated in this country. I stated, when introducing that taxation, that we should derive a much larger amount for the second accounting period. Now, the present taxation applies to the last accounting period; in other words, to the accounting period ending after December 31, 1916.

Mr. MACDONALD: You are making it permanent, whereas last year it was temporary.

Sir THOMAS WHITE: The three-year term is not interfered with.

Mr. MACDONALD: I was just asking whether my hon. friend intended to make this permanent, or would it cease at the end of the war?

Sir THOMAS WHITE: This excess profits tax applies to the last accounting period; that is to say, to the accounting period of every company which ends after December 31, 1916. The accounting periods referred to are accounting periods under the excess profits tax which I introduced last year, and which was limited in its operation to December 31, 1917. We are not extending the term.

Mr. MACDONALD: You are not?

Sir THOMAS WHITE: No. Let us see what we are doing. Instead of taking 25 per cent of the profits in excess of 7 per cent, which is the amount allowed incorporated companies, from 15 to 20 per cent we are taking one-half the profits, and from 20 per cent upwards 75 per cent of the profits. Now, that is a very heavy tax; there is no question about that. It has been brought to my attention that some companies are making from 75 to 100 per cent on their capital, and, of course, the taxation they will have to pay will be very large, but I submit that that is not the real question before the committee and the House. It is not a question of whether the tax is high, but whether it ought to be paid at this time. This is a time at which the people of this country are making immense sacrifices.

Mr. MACDONALD: It is a time when you should tax more.

Sir THOMAS WHITE: My hon. friend suggests that we should tax more. The hon. member for North Oxford (Mr. Nesbitt) did not make that suggestion.

Mr. A. K. MACLEAN: Oh yes, he did.

Sir THOMAS WHITE: We will come to that in a moment. The hon. member for North Oxford has distinctly stated that he agrees with the Financial Times that this excess profits tax will be a detriment to obtaining capital for industries in Canada. I would point out to my hon. friend from Pictou that when he suggests this taxation should be more severe, he is not in agreement with my hon. friend from North Oxford, who thinks the tax so heavy as to keep capital from coming into this country. This is a time in which the people of this country are making the greatest possible sacrifices. Men and women are sending their sons to the front. The men who have gone forward have interrupted their careers; they have left their hearth and home and everything they held most dear; they have given up everything and gone to the front, and unless what we have said from the beginning is meaningless these men are fighting for you and for me. Now in a situation such as we and all other belligerent nations are in to-day, mere money, while of great practical importance, is in reality of secondary importance. The making of profits, highly desirable in time of peace, and not undesirable, within bounds, in time of war, must take an entirely secondary place; that is the opinion, I think, of all thoughtful people in this Dominion. A mere money question becomes of secondary importance; it is of paramount importance in time of peace, but of secondary importance in time of war. The loss of money or the taking of money by taxation is as dust in the balance compared with these other losses that are taking place in the homes of this country. I do not believe myself that a man who is making 100 per cent has any right to complain if the Government steps in and says it must have 50 or 60 per cent of their

profits, and I believe that public opinion will sustain this taxation measure on these grounds, even if some capital that might have come into Canada does not come in by reason of the imposition of this tax.

Let me say another thing. There is no reason why capital seeking investment should not flow into this country to-day notwithstanding the taxation. Look at the taxation of the United States, actual and prospective. I think the business man of the United States, as one of their leading men told me over there the other day would not be deterred by this taxation measure from coming into Canada, because he is going to be pretty heavily taxed at home anyway. So that argument is not of very much weight, even from a business standpoint. I am discussing this matter at some length because it has been discussed in the press, or in a certain portion of it, and I say that the people of this country demand that men shall not be permitted to make undue profits in time of war. I say undue profits; I believe the public are quite willing that men should make reasonable profits. It has been said that men will not put forth an effort if we are going to take away 50 or 75 per cent of their excess profits. I do not believe that is so. I do not believe that any patriotic man will relax his efforts because the Government intends to take fifty per cent, or seventy-five per cent, of his excess profits; I have too high an opinion of the people of this country to believe it.

Mr. MACDONALD: Why do you not tax accumulated wealth as well?

Sir THOMAS WHITE: I will come to that in a moment. The hon. gentleman always anticipates. He is the most anticipatory member we have.

Mr. MACDONALD: But the minister finishes without dealing with these matters.

Sir THOMAS WHITE: I will finish all right. The hon. member for North Oxford (Mr. Nesbitt) asked: what about the income of the professional man? That is a fair subject for argument. But, if we are to compare Canada with England in this matter we must bear in mind one respect in which Canada differs from England. There they have only one income tax, that imposed by the Imperial Parliament; but in this country it is possible to have three different income taxes, that of the municipality, that of the province, and that of the Federal Government. The income tax is peculiarly within the jurisdiction of the province and is a suitable tax for the purposes of the province and the municipality. In my opinion the Federal Government should not resort to an income tax until it is indispensably necessary in the national interest that it should do so. Suppose that a man is taxed on his income for the benefit of the municipality. He may be taxed 20 mills—two per cent. There may be a further income tax for the province. If you add to these a Federal income tax, the total impost may be very heavy. I pointed out in the Budget speech that the incomes of the professional and salaried classes generally have not increased since the war broke out, in many cases their incomes have actually diminished. On the other hand you have the high cost of living—higher than ever before in Canada. To levy an income tax upon these people under these conditions does not seem to me just. Of course, if it becomes unavoidable, if the Dominion Government finds itself in a position where it must have an income tax, I would not hesitate to resort to it. I believe that it is quite possible, even probable if the war goes on for another year or two, that the Dominion Government may have to resort to an income tax.

Now, my hon. friend has asked why the tax has not been broadened and applied to all corporations, even those that have a capital of less than $50,000. We discussed that at length last year. I admit there is a good deal to be said in favour of that view. But there are considerations on the other side as well. In all taxes on income, there is an exemption of a greater or smaller amount. But suppose that in this case you make no exemption, and consider the case of a company with a capital of $40,000 and making seven per cent profit. That means a total profit of $2,800 for the year. Having regard to the taxation by the municipalities, there is not a very great margin to go on in the case of these small companies. For that reason, and also for the reason that the expense of creating the staff and of collecting from these small concerns would be so great that we should probably not be further ahead by including them, we decided in favour of an exemption of corporations with a smaller capital than $50,000. That is the position taken last year, and I see no reason to change our views.

This brings us to another consideration concerning the income of the professional man referred to last year and also in the

present debate. The tax on corporations is a tax on excess profits. The tax on income would affect not merely professional men but those having incomes from investments, such as mortgages and securities of various kinds. Men who derive incomes from mortgages and other securities rarely net more than five or six per cent. But under the excess profits tax the profits of corporations up to seven per cent are exempted. Suppose that a man with a capital of $100,000 invests in the bonds of an industrial company. He will derive an income of $5,000 or $6,000 a year. He is still below the $7,000 which is exempted under the excess profits tax. Therefore, there is not the glaring anomaly that has been suggested in exempting the income derived from investment and amounting to less than seven per cent.

Mr. A. K. MACLEAN: But if a man has an income of $50,000 a year from such investments, why not tax him?

Sir THOMAS WHITE: If we bring in an income tax, it must be general in its application. It must be remembered that under the excess profits taxation we are not taxing capital, the very principle of this measure is the taxation of profits. If profits are abnormal, it must be owing to war conditions—that is, money is being made out of the war, or notwithstanding the war. But take the case of the man with investments which yield him an income of $50,000. That would represent five per cent on an investment of $1,000,000. Now, if you have a company with a capital of $1,000,000, its annual profits would be exempted up to $70,000—that is seven per cent on its million-dollar capital.

Mr. GRAHAM: But what would be urged is that the money in the joint stock company would give employment to a large number of men and women and would mean the circulation of money for the benefit of the community, which is not the case with the capital of the men who derive an income in the way suggested.

Sir THOMAS WHITE: The money of the individual invested may be in the very enterprise to which the hon. gentleman refers. He may be the owner of its bonds, and in that case his capital is just as much employed in keeping that industry going as is the money of the man who has contributed to its share capital.

Mr. GRAHAM: But without risk.

[Sir Thomas White.]

Sir THOMAS WHITE: No, not without risk. The bondholders do not always escape without risk. Now, my hon. friend from Pictou (Mr. Macdonald) asked why we did not tax capital.

Mr. MACDONALD: I asked why you did not tax accumulated wealth.

Sir THOMAS WHITE: The hon. gentleman said "capital" and I said I would come to that point, though he thought I would not. Now, let us see how far the hon. gentleman will go. Capital, in the sense in which he uses the term, that is, accumulated wealth, may consist of real estate, or it may consist of personal property, such as bonds and stocks. My hon. friend asks: why do you not tax that property, that capital? Well, that is arguable. The Dominion Government some day may have to extend, as I stated in my Budget speech, the basis of taxation. My hon. friend has in mind: why do you not tax land, farms, and the real estate in towns and cities? Why do you not tax, in addition to that, the capital of those who have bonds, stocks and other securities, which are personal property? That is not the principle of this Bill, and they have not adopted that principle of taxation in any of the belligerent nations, so far as I know. They may have done so, but, if they have, it has not been drawn especially to my attention. The principle of this tax, I submit, is sound, that if there are firms, companies or businesses in Canada which in war time are making large profits, they must give a substantial portion of those profits to the Dominion Government for the purpose of assisting in carrying on the war. That is the principle. If a company has a capital of a million dollars and is not making 7 per cent, we do not tax that company, notwithstanding that it has a capital of a million dollars. I think that is just, for this reason, that that company may have a capital of a million dollars and yet it may have a thousand shareholders, each shareholder being interested only to the extent of $1,000. We know that that company is an entity, but it is made up of a thousand individual shareholders. We are not taxing that capital if they are making less than 7 per cent, but if they are making 40 or 50 per cent, we say: You are making a profit away beyond what we think you should be making in war time; you are making it out of munitions, or out of material which goes into the production of munitions, or out of supplies or other business, and you are making abnormal profits.

We say: if you make so much money as that, we propose to take part of it for the purpose of carrying on the war. That is the principle of the Bill, and even if it had the effect of preventing capital from coming into this country in war time, which I do not admit, I would still say that it is a proper tax because it is more important that this money should be raised in war time than that even capital should come in. What about after the war? This tax is limited to three years. I am free to say that an excess profits tax is not a good tax in times of peace because I think then it would have the effect which my hon. friend suggests and that effect would not be good for the country. But this tax is limited by its terms to a three year period. If this war goes on—and I confess it looks to me as if it would go on—it might go on for another year, or even longer—then we would have to consider broadening the basis of our taxation. We might have to resort to other modes of taxation, some of which were suggested in this House when the Excess Profits War Tax Bill was under consideration last year, and which have been mentioned in the course of this debate. But it is not necessary to consider these now. We are taking one step at a time in our taxation, and I submit that it is sound. When the war broke out, it would have been a great mistake to have suddenly developed a formidable scheme of taxation. The effect would have been bad upon industry and upon the public.

Mr. MACDONALD: Is my hon. friend aware that the financiers of the United States announced it as their purpose to make the men of the present day pay their full proportion of the cost of the war and not leave it to the boys after they come home from the front?

Sir THOMAS WHITE: Let me point out the distinction between the case of the United States and Canada. We have been bearing the burden of this war for three years. In the case of the United States, one of the wealthiest countries in the world—

Mr. MACDONALD: What about England?

Sir THOMAS WHITE: I will come to England in a moment—and one of the greatest, they enjoyed a period of prosperity for the past three years. When this war broke out, the immediate effect in Canada was a dislocation of the business of the country. To have imposed a heavy burden of taxation at that time would have been unwise from every standpoint. The result was that when the war broke out we imposed a moderate measure of taxation and in the following session raised the tariff by 7½ and 5 per cent and imposed special taxation calculated to realize a substantial sum. Last year we imposed the excess profits tax and this year, as these profits have become greater, we have increased the excess profits tax. Our taxation from the beginning, has been, I submit, scientific, and has progressed in such a manner as not to unduly disturb the industries of the country, but rather to promote business and not to discourage our people. To have imposed as heavy a burden of taxation as we have to-day upon the people at the outbreak of the war would have been disastrous from the business standpoint and would have discouraged the people.

Mr. A. K. MACLEAN: Will not my hon. friend withdraw the word 'scientific''?

Sir THOMAS WHITE: I will be prepared to argue that if my hon. friend desires. As to the excess profits tax, I would call his attention to the fact that we are in very good company.

Mr. MACLEAN: How would one conceive of the methods of taxation adopted by the Government as being scientific?

Sir THOMAS WHITE: The burden has fallen upon those who are best able to bear it. We have not taxed those engaged in the basic industry of the country—agriculture; we have imposed no direct taxation upon the ordinary citizen or artisan. Whom have we taxed? We have taxed those who can afford to ride in Pullman cars, like the hon. member for North Oxford (Mr. Nesbitt).

Mr. NESBITT: What?

Sir THOMAS WHITE: I say we have taxed those who can afford to ride in Pullman cars like the hon. member for North Oxford.

Mr. NESBITT: I always take the smoking car ahead.

Sir THOMAS WHITE: My hon. friend has been found in a Pullman car, and I am quite sure he does not sleep in the smoking car. We have taxed banks, trust companies and loan companies; we have taxed them all; we have taxed excess profits; now we are taxing excess profits some more, and if that is not scientific all I have to say is that

it has been found to be a pretty good system of taxation. It has met with the approval of the people.

Mr. McCREA: You will find out what the people of the country think about it.

Sir THOMAS WHITE: My hon. friend says that we will find out what the people of the country think about it. I do not believe that my hon. friend, in these matters, is the spokesman for the people of this country. My hon. friend, I know, is annoyed about this measure. There is no question but that the industry in which he is interested will be hit by it, but there is no doubt, also, of the fact that the industry can stand it. Here is another point: it will not be hit by this measure unless it is doing well. Unless it is making profits it will not have to give any profits to this Government. That is the particular merit of this Bill. A man will pay only if he is making big money. If that is not a scientific measure of taxation I do not know what is.

Mr. A. K. MACLEAN: The minister has not answered the question that I put to him before he rose.

Sir THOMAS WHITE: As to how much will be realized?

Mr. MACLEAN: Yes.

Sir THOMAS WHITE: It is not yet possible for me to give even an estimate.

Mr. A. K. MACLEAN: You have the statements given to the department by those who were taxed last year.

Sir THOMAS WHITE: We have the statements given to the department by those who were taxed for the first accounting period, and by some who will be liable for the second period, but not all. So far as the third accounting period is concerned, we have very few of those reports in. The result is that I am unable to make an estimate. But this is to be pointed out that it was last year that the large profits were made. That is to say, of the first three years I think last year was probably the best. Therefore this new taxation measure will apply more particularly to the larger profits of the third accounting period, and so substantial sums should be realized from it. It is not possible to make even a rough estimate, as we have no figures to which to apply the 50 per cent and 75 per cent taken from the excess profits.

Mr. PUGSLEY: Could the minister not furnish to the House a statement of the excess profits which have been made by one industry as an example? Take the flour milling industries of the country.

Sir THOMAS WHITE: I could give them if they were asked for. As I said last year, if a motion is adopted in the House for returns of the assessment of this business tax, the papers will be laid on the Table.

Mr. CARVELL: Would there be any objection to producing statements showing the persons, firms and companies, and the amount paid by them for the first accounting period?

Sir THOMAS WHITE: I would consider that. I do not know whether we have that information. We received some very large cheques in payment of these taxes.

Mr. PUGSLEY: The millers and the ministers are partners in boosting the high cost of living.

Sir THOMAS WHITE: I do not see how that is.

Mr. PUGSLEY: The greater the cost of flour the greater the revenue received by the minister.

Sir THOMAS WHITE: The excess profit tax comes second in point of time. The excess profit must exist before I can take the tax.

Mr. CARVELL: The big milling companies publish their statements and the companies have a good idea of their profits. But there are hundreds, and I trust thousands, of small milling companies and millers all over Canada, and I think the public have a right to know how much they are contributing and how this tax has been levied. That information should be brought down, I think, without Parliament demanding it.

Sir THOMAS WHITE: That was discussed last year in the House, and I then made the same statement that I have made to-day.

Mr. PUGSLEY: The reason I suggested the milling industry is because the people are intensely interested in the increasing price of flour, and I think that before we pass this Bill we ought to have a statement from the minister of the excess profits of the milling industry last year. I think the public would like to have that.

Sir THOMAS WHITE: That matter can be raised at any time. I do not think it

need be discussed in connection with this resolution.

Mr. MACDONALD: Would the minister say why he is going to take only so much taxation from the people of Canada to-day? In view of the tremendous obligations we are assuming, is he not simply putting off the evil day? If the country is prosperous to-day, why does he not provide for a system of taxation that will be scientific in its character and put the burden on the people to-day, and not leave everything until the boys come home again?

Sir THOMAS WHITE: What I said to-day will still apply, that at present we are not only paying our pensions and the increased interest on our national debt, which is very large, but we have been able to pay $60,000,000 of the principal of the war indebtedness.

Mr. MACDONALD: The hon. member for Northumberland made the point that my hon. friend had taken $65,000,000 but had applied only $60,000,000 towards paying the debt created by the war. Did the minister have $5,000,000 more?

Sir THOMAS WHITE: No, because if he had he would have applied it. We pay our ordinary expenditure, our capital expenditure, and then whatever balance there is is applied in reduction of the war debt.

Mr. MACDONALD: The point made was that the minister derived $65,000,000 out of extra taxation but that he applied only $60,000,000 to the war debt, using the other $5,000,000 for the extra expense of ruling the country.

Sir THOMAS WHITE: I think that is entirely inaccurate.

Mr. MACDONALD: The hon. member gave the details.

Sir THOMAS WHITE: But even supposing it was so, does my hon. friend say that we should default as to $5,000,000 of ordinary expenditure?

Mr. MACDONALD: You should economize; you are not economizing at all.

Sir THOMAS WHITE: Not economizing? If we had applied that $5,000,000 to the ordinary expenditure, we would have been able to apply only $5,000,000 in respect of $25,000,000 of increased interest and pensions due to the war because the increased interest and pensions are charged to our ordinary expenditures.

Mr. MACDONALD: You should have spent less last year; you are extravagant.

Sir THOMAS WHITE: We have devoted $60,000,000 to the payment of the principal of our war expenditure. It seems to me that that is a sufficient answer to the hon. member for Pictou. If this war goes on, as I stated in the Budget, and if our expenditure increases, as it probably will increase with the increase in our militia, necessitating additional taxation to raise more money, then $60,000,000 is a very substantial amount to have paid in time of war on the principal of our war expenditure. In 15 years, at the same rate of payment, $900,000,000 of indebtedness would be liquidated.

At six o'clock, the House resumed, and then took recess.

After Recess.

The House resumed at eight o'clock.

PRIVATE BILL.

THIRD READING.

Bill No. 41, respecting The Grand Trunk Pacific Branch Lines Company.—Mr. Currie:

WAR TAXATION.

WAYS AND MEANS.

The House resumed Committee of Ways and Means, Mr. Rainville in the Chair.

Mr. E. W. NESBITT: When the House rose at six o'clock the Minister of Finance had been replying to various comments that had been made with regard to this resolution. This afternoon, when I read what the Financial Times had to say with reference to certain companies that were deterred by reason of the resolution from investing in this company, I simply gave the statement made by the Financial Times for what it was worth. I do not know as to the correctness or incorrectness of that statement. I did say that I believed if this measure were enacted it would deter capital from coming into this country, if the tax were not more equitably distributed. I said that I did not see why every person who made over seven per cent profit in his business should not be subject to paying his proportion of the tax. I said that so far as I knew the companies which would be affected by the fifty per cent tax and the seventy-five per cent tax would have no objection to paying their proportion of the taxation provided that every one else paid his proportion under the seven per cent

clause, or under any of the other clauses of the resolution. My hon. friend argued, of course, as he did before, that it would be inconvenient to collect the tax from a person or company whose capital is only $50,000, and that a capital of $50,000 at seven per cent would earn only $3,500. That is no reason why such persons or companies should not pay their fair proportion of the tax. Every one in this country is willing to bear his fair share of the burden of taxation necessary to bring this war to a successful conclusion.

My hon. friend said that the main thing after all was the winning of the war, and with that we all agree. He said that if, in order to win the war it were necessary to do without capital coming into this country, he would be in favour of doing without the capital. If he carries that argument to its logical conclusion, why have these taxes? Why raise any tax? What is capital for but for the Government to use in carrying on the war? If his argument were carried to its ultimate conclusion, we would carry on the war without any capital or without any revenue. Such a position is, of course, absurd. We cannot get too much capital into this country to promote our industries and resources. That statement held good before the war and it will hold good during the war and after the war. We need in this country population and capital more than anything else. My hon. friend says that this tax will be limited to three years. I am afraid that he is not in a position to prophesy how long this tax will be exacted, and I do not think the people will grumble at how long it will be exacted so long as the revenue derived therefrom is properly used in the carrying on of the war. No one that I know of is grumbling at having to pay this war tax; what people are grumbling at is being selected as the only ones to pay the tax. I made that statement last year and I make it again now. My hon. friend, when he said that if, in order to win the war it were necessary to go without capital coming into this country, he did not care whether capital came in or not, knew that he was simply talking to the grand stand. We all know it is absolutely necessary to have capital to carry on the war. When in my boyhood days I used to play lacrosse, the boy who was disliked by the other boys was the one who played to the grandstand, that is the boy who kept the ball to himself and would not pass it along to the others.

Mr. GRAHAM: There was no team play.

[Mr. Nesbitt.]

Mr. NESBITT: Yes. I was surprised to see the Minister of Finance playing a good deal to the grandstand.

Sir THOMAS WHITE: Was my hon. friend engaged in team play with the hon. member for Strathcona (Mr. Douglas) in his attitude towards this taxation measure?

Mr. NESBITT: I certainly was not; I did not even hear that hon. member's speech.

Sir THOMAS WHITE: Then there was no team play on that side?

Mr. NESBITT: Not so far as I was concerned. I was speaking with reference to the interest of the country and without reference to party at all. What I objected to in the minister's grand stand play was this: he said that the men and women of this country who were sending their boys to the front were doing more than any one who was paying taxes in this country. I was discussing the financial end of the matter; I was not discussing the sentimental nor the moral end. My hon. friend is not the only one in this country who feels for the men and women who have sent their boys to the front. Many a man in this country who is paying excess profits taxes has sons who are fighting at the front, and some of whom have died at the front, and yet there is no grumble on their part. If what the minister said was not grand stand play, then I do not know what grand stand play is. I had no intention of mixing up the question of the men who have risked their lives with this financial discussion this afternoon.

Sir THOMAS WHITE: May I interrupt my hon. friend, because I should not like him to misunderstand me. I had not in mind to suggest that the hon. member was actuated by any such motive; but the article which he read to the House, it seemed to me, unduly emphasized the money aspect of this excess profits tax, and it was rather to that than to the remarks of my hon. friend that I was addressing myself. I entirely acquit my hon. friend of being actuated by any other motive than that of discussing this subject in this House in a business way.

Mr. NESBITT: I thank the minister, and I freely accept that explanation from him. So far as the article in the Financial Times is concerned, I am not accustomed to quoting newspaper articles, but I gave it for what it was worth. I did not say that these companies were deterred from

investing capital in this country, because I was not aware of anything of the kind. I would like to say one word with reference to income tax. My hon. friend complains that he cannot impose an income tax conveniently owing to the municipalities and the provinces also having the right to exact an income tax. I would suggest to him that the matter could be worked by excepting the amount paid to the municipalities and the amount paid to the provinces, that is to say, by giving the person who is paying under the Dominion tax credit for what he had already paid on account of the municipal and provincial taxes. I do not know that I have anything further to say in regard to the matter. I give my views honestly for what they are worth, without regard to party in any manner, shape or form.

Mr. A. K. MACLEAN: I have a few observations to address to the committee before the adoption of the resolution. The consideration of a taxation resolution is a matter of business, and I quite agree with my hon. friend from North Oxford (Mr. Nesbitt), that there is not much necessity for exhorting hon. gentlemen to unite for the winning of the war when a matter of this kind is under consideration. As to the winning of the war, we are all agreed. But the consideration of taxation proposals in committee, is ordinarily, a time when we come to close quarters in discussion, and when there is more or less frankness. The Minister of Finance referred this afternoon to the fact that some hon. gentlemen on this side of the House had approved of the taxation proposals now under consideration. That is quite true. The hon. member for South Cape Breton in discussing the Budget this afternoon openly and very emphatically approved of the taxation proposals. On a matter of this kind one would naturally look for differences of opinion. There should not be a tendency to discuss taxation proposals from a point of view altogether partisan. There is a differenue of opinion, for instance, among hon. gentlemen on this side of the House as to the desirability of the proposals of the Minister of Finance, and it is desirable to have hon. gentlemen express their views, whether favourable or otherwise. On the other side of the House there are hon. gentlemen who will probably support the proposals of the Minister of Finance; at least, I can safely say they will not oppose them. Nevertheless, it does not follow that in their best judgment these proposals are altogether wise, and just, or necessarily in the interests of the country. It is more difficult perhaps for hon. gentlemen opposite to indulge in the same freedom of criticism as hon. gentlemen upon this side of the House. I think it is very important indeed that we should have the utmost freedom in discussing a matter of this kind. I do not pretend to insinuate that the Minister of Finance does not entertain that view.

Sir THOMAS WHITE: I invite the utmost freedom of discussion, because it will be of the greatest benefit to us.

Mr. A. K. MACLEAN: Litigation in court for instance is justified on the ground that from the conflict or shock of opposing views the court may reach the truth approximately. Similarly, through the conflict of opinion that may arise in this committee, the Government may reach the best possible system of taxation fitting the circumstances.

There is another matter I wish to refer to, and my attention was directed to this by a reference of the Minister of Finance this afternoon to the fact that in several of our provinces there is already a certain form of income tax. It has often struck me that there should have been a conference between the Dominion and provincial governments in reference to taxation. During the last two or three years it seems to me that many of the provinces have practically exhausted every method of taxation within their powers. The province of Ontario, particularly, has initiated very wide taxation schemes; perhaps they were necessary, and perhaps they were not. But it is just possible that the province might have avoided such extended taxation by economies or reforms of some kind, and if so, it was their duty to have done so. I think it would have been desirable for the Minister of Finance to have met the provincial governments in conference a long time ago, and asked for their co-operation in the matter of financing the war. This would have given him an opportunity to present to them most clearly and forcibly the probable obligations that will rest upon the Federal Government in the future, and I think in that way he would have gained the co-operation of the provinces.

I would not undertake to say that the fresh taxation proposals of the Minister of Finance are altogether unpopular. They will be unpopular with the men who will have to pay; there is no doubt about that. But, after all, that applies to such a small

proportion of the population of Canada that these proposals are bound to be very popular with the great majority, who will not have to pay them. I suppose that if a man were viewing these proposals purely from the standpoint of political safety he would rather take the position that the proposals on the whole were pretty good, because the great majority of one's constituents shall not be affected by them. However, I do not consider that is a fair method of considering a matter of this kind, particularly on the part of public men who must assume the responsibilities attaching to their position. We do know that persons and corporations liable to taxation under these proposals are protesting in large numbers and quite vigorously; perhaps it is true that in many cases their complaints are hardly justified, because the additional taxation to be imposed would mean very little beyond what they have to pay under the Act of last year. To some, however, it will be quite a serious matter, and it is easy to understand there may well be an honest difference of opinion as to whether or not it is desirable to increase the business profits tax, and obtain additional revenue from other sources.

The Minister of Finance justified all his taxation schemes this afternoon on the ground of their being scientific. Of course, if they are scientific, they are absolutely sound. I suppose, however, the minister was using language rather loosely when he employed the term "scientific." He said that he started out by having recourse to one source at one time, and to another source at another time. But it might turn out that all these sources shall be exhausted or dried up when he turns to them later when his financial necessities are urgent. Our obligations this year are probably as heavy as they will be in any year in the future, no matter how long the war continues. The country is fairly prosperous. The average citizen is in rather happy circumstances to-day. Therefore, I say, this is the time to apply all possible forms of taxation, this is the best opportunity we shall have to secure for Canada the largest possible revenue in order to lessen the total of our public debt upon which the people will have to pay interest after the war. That there is an element of fairness in the business profits tax no one will deny. It may be true, also, that the Act of last year was on the whole a justifiable method of taxation and was perhaps quite popular in the country. The only objection I had to it—and I expressed myself so at the time—and the only protest I have heard from other citizens, is that it should be applied more widely. It was pointed out by hon. members on this side last year, and events have proven the soundness of their contention, that in some localities you will find a firm or partnership earning, it may be, $50,000, and paying a substantial tax, while in the same place there may be another concern with earnings of $100,000, yet paying nothing. I think that inequalities of this kind irritate the community and render that form of tax unpopular. It would have been better, had the business profits tax had a wider application, not only because it would have been more in accordance with justice, but because the treasury would have benefited. The increased business profits tax will yield but little additional revenue; will impede industrial expansion, prevent the inflow of foreign capital. It would have been better to adopt some other form of taxation. I am not, however, referring to concerns engaged in purely war supplies.

There is another aspect of the case which makes me think that you cannot infer the desirability of a business profits tax for Canada by showing that it applies well in England. In Canada there are very few businesses with enough capital. Many have sufficient invested capital, but the working capital, as a rule, is borrowed. Our business concerns are usually very heavy borrowers from the banks. In England, not only is there an abundance of invested capital, but the great industrial concerns there, as a rule, have large reserves. I read pretty regularly a financial journal published in London, The Statist, a journal which the Minister of Finance knows very well. Each issue gives the proceedings of annual meetings of important companies. In reading these reports, I notice that invariably they disclose a very substantial cash reserve accumulated in the course of years of operation of these concerns. Consequently, these concerns are not borrowers from the banks. On the conclusion of this war, there will be a period of anxiety for industrial concerns in this country. Many of them to-day carry contingent accounts, that is, they are setting aside a portion of their profits to meet contingent liabilities that may arise on the cessation of war. The cost of raw material may go up, or there may be many contributing causes to lessen profits. Therefore, they feel that a cash reserve is desirable against the time when a business depression will come and when

the banks may find themselves not in a liquid position to justify large loanings to industrial concerns.

My substantial objection to the resolution, is that which I voiced last year against the business profits tax, and that is that the efforts of the Government to secure revenue to meet our heavy obligations are too restricted. As I pointed out when speaking on the Budget, we are not paying enough of our annual war expenditure. It is eminently desirable that our national debt be kept down to the lowest figure possible, so that the country may be able, without distressing itself, to take care of its fixed charges and have sufficient revenues to carry on public services with efficiency. There are many people, I am sure, who would be quite happy to be compelled by law to pay something to the treasury who are not paying anything today. So, I say, the tax proposals contained in the resolution are too restricted, and also they are unjust to the small number who are obliged to pay. The result is that the treasury is not receiving the volume of revenue which could easily be had and which the country requires so much, and will require so much in the future. I put the case to the minister this afternoon that, if a man were in receipt of an income of $50,000 from invested capital, there was no reason why he should not be compelled to pay something toward the public revenues for war purposes. I can not conceive of any answer to that proposition. His income arises from capital which he has invested, and is more than he requires for his personal purposes. Most persons in that position would be willing to contribute a very substantial portion of that income to the treasury for war purposes.

Mr. W. H. BENNETT: Have these people, who are so anxious to pay taxes, ever heard of a Patriotic Fund, a Red Cross Fund, or any similar institution to which they are free to contribute and by which their money would be cheerfully accepted?

Mr. A. K. MACLEAN: I have no doubt that that class of people do contribute very generously to the Patriotic Fund and other similar causes. And so they should. The Minister of Finance stated this afternoon that if a business concern earns over fifteen per cent, it should not complain if the country takes fifty per cent of its surplus earnings. But even if men of the class to which I refer had contributed generously to the Patriotic Fund, that does not answer my contention that out of the very handsome surplus remaining above that which is actually required for their private purposes they should contribute a very substantial portion to the country for war purposes.

There is another point which I urged against the business profits tax last year, and which I still believe in. In England the business profit tax applies to profits earned over and above the average amount earned for the three years prior to the war. I do not recollect at the moment what answer the Minister of Finance made to this point last year, but I remember that he did make some reference to it. That always struck me as being a very fair provision, and there is a very strong feeling among business men of this country who are liable under the Business Profits Tax Act, that this same provision should be applied to companies and individuals liable under our Act. I think it is only a fair and just provision. The imposition of a tax upon profits earned above the average profits prior to the war is justly and truly a war business profits tax. The title of the Act at the present time is a misnomer, because it does not apply merely to profits earned by reason solely of the war, but it refers also to profits which would be earned in peace times. These, in a general way, are the observations which I wish to address to the committee at this time upon the resolution.

Sir THOMAS WHITE: There are a few more points which my hon. friend referred to, and which I desire to deal with briefly. But, before doing so, I should like to say that so far from deprecating criticism upon any measure which I have in this House, and especially a taxation measure, I invite it. I am pleased to say that I have derived, in connection with my measures in the House, a great deal of assistance from the criticism which has been offered. I would also like to believe that I am willing always to make concessions when it appears proper to do so, as the result of the criticism to which measures are subjected. Last year when this business profits War Tax Bill was under consideration in this House, I received many valuable suggestions and the Bill was very much improved by them. As far as this amendment is concerned, I should like to have the frank opinion of every one in this committee and, if it appears that the Bill is too severe or that it is

going to work out disadvantageously, having regard to the national interest, I am prepared to consider that criticism. But I rather did resent in connection with the bill—probably that is not the word, because I do not think a man should resent anything that occurs in the House of Commons—being criticised, on the one hand, because the bill was not nearly severe enough, and, on the other, because the Bill was so severe that it would injure capital, drive out capital, and prevent capital from coming in. That did not appear to me to be fair criticism from the Opposition benches, because the one attitude is entirely inconsistent with the other.

I gave the reasons pretty fully this afternoon why I thought it was inadvisable that we should resort to a federal income tax at this time. I do not propose to go over that ground again but under the existing law in most of the provinces in this Dominion, a man is fairly heavily taxed today upon his income (that is, if the law is administered), and if we imposed a federal income tax it seems to me it would be an additional impost upon him at this time when the cost of living has greatly increased. There is another feature in connection with this that is put forward and that is, that companies are severely taxed by this excess profits tax. At the same time it is suggested that there should be also an income tax. I believe that if we imposed an income tax in addition to the excess profits tax it would fall to a large extent upon those who are already taxed by this excess profits tax. Take managers and other officers of the companies that are taxed by this measure; they derive their salaries, and those salaries are subject to taxation under income legislation in at least certain of the provinces in which they live. If we added on a federal income tax, we should be taxing these men upon their salaries notwithstanding the fact that many of these officers are interested in the companies which are taxed under this excess profits tax Act.

There is another feature of it. Income is derived from personal earnings, or from interest on mortgages, bonds, and other securities and dividends upon stock. Insofar as income is derived from dividends on stock, the recipient of such income is already taxed by reason of the fact that he is a shareholder in these companies subject to the excess profits tax. That has to be borne in mind. What I stated this afternoon, and what I desire to repeat, is, that we may come to the time when we shall have to resort to income tax. The hon. member for Halifax (Mr. Maclean) said: why not do it now? The reason I think it inadvisable to do it now is that incomes are already subject to taxation by municipalities or provinces, and it does not seem to me that the burden should be placed upon the average citizen deriving income which would be subject to taxation, until the necessity is absolutely clear and until it is indispensably necessary in the national interest that we should impose such taxation. Take the lawyers in Canada, and I only speak of them as one class who are subject to income tax by municipalities and provinces; I do not believe that the income of lawyers has been increased since the war broke out. I believe rather that the contrary is the case. I do not believe that the income of physicians has been increased and I do not believe that the incomes of most of those who derive salaries from their employment has been increased. That is on the average; I suppose some of them have been increased and others have been reduced. But, the cost of living has gone up. Is it indispensably necessary at this time to tax all those who may derive incomes throughout the country? You could hardly select nine or ten large incomes and make them a special object of taxation. You could not introduce a Bill for the taxation of half a dozen or a dozen or twenty men in this country. Your income tax would have to be general. I am only pointing out these aspects of the matter because it seems to me that they are relevant to the question as to whether an income tax should be imposed now. My view has been that it should not be imposed now. My hon. friend has said, and his words are true, that people have paid this business tax gladly. I bear cheerful testimony to that. The spirit in which the excess profit tax has been borne has been admirable. Men have not been anxious, so far as I am aware, to avoid taxation; they have been desirous of contributing, and have willingly paid the taxation against them. That taxation, in many cases, has run into very large sums of money. The hon. member for North Oxford (Mr. Nesbitt) is always a valuable contributor to a debate, and I certainly had not in mind, when I spoke this afternoon about the sacrifices the people of this country are making, anything that he himself had said. But there has been a criticism of this measure which I do not believe is just, in

that it emphasizes the large sums of money which will have to be paid into the federal exchequer. I do not believe that that is a sound criticism of the measure. It would be a sound criticism to say that it is not fair, if that is the view of the critic, that only those having a capital of $50,000 or more should be assessed. That is a criticism that may fairly be put forward, to be met by us who believe that the line has to be drawn somewhere, and that if it is not drawn at $50,000 it would have to be drawn at $40,000, for the reasons which I gave last year. But I do not believe that it is fair to say at this time that the measure is objectionable, and to severely criticise the Government on the sole ground that large sums of money are taken from the industries of this country; because in a time of sacrifice such as this, money becomes of entirely secondary importance. It is very important, but it is of secondary importance. It is needed and will be needed for the prosecution of the war, and I have been unable to see, and I am still unable to see, why, if firms or companies are making huge, even abnormal earnings, a very substantial portion of those earnings should not be taken for the treasury of the state engaged in the prosecution of this war. That is what I had in mind this afternoon when I referred to the sacrifices which are being made in this country, and I think it desirable from time to time to emphasize that feature, certainly not in censure or criticism of any member of this House, but only because we are taking extraordinary action on account of extraordinary conditions. I assure hon. members that it is no pleasure to me to incur the criticism which I undoubtedly do and will incur in connection with a measure of this kind, which does take a heavy toll from many of our industries. It is no pleasure to bring it down, and it is not brought down with any object of political aim or advantage, although I do believe that public opinion will support a measure that, at a time like this, takes a substantial part of large earnings made, and honestly made, for the purposes of the war.

The soundest criticism I have heard of this measure has been that it may take so large a sum from a firm or company that the company may not be able to raise that amount of money readily, and that it may, to a certain extent, make the position of the company unliquid. That is the soundest argument I have heard against this measure, but I do not agree that the amount taken, although large, is unduly large in war time.

My hon. friend from Halifax (Mr. A. K. Maclean), who, as usual, made a very temperate speech and put forward his ideas and criticisms very fairly, raised the question why we did not adopt the English policy of establishing the average earnings of a company for the three years preceding the war, and then take only a portion of that excess profit earned now over the average profit earned for those three years. We gave that matter a great deal of consideration, and I have discussed the English income tax with many who are subject to it. I believe that our tax is a better tax, and that is the opinion of many from the United Kingdom to whom I have spoken about it. What has happened in the United Kingdom is this: Those companies that did the largest business before the war, that were earning 25 per cent, 30 per cent, or 40 per cent, are in many cases earning that amount to-day and yet are paying nothing. Their average, we will say, was 25 per cent or 30 per cent before the war. Since the war they may earn only the same amount, and yet they are going scot free. But companies that earned only 4 per cent or 5 per cent before the war, which perhaps had a run of hard luck, or were engaged in a business that was not thriving at that particular time, but are now making perhaps 40 per cent, find themselves mulcted to the extent of 80 per cent of their excess profits. In my opinion, it is very much better to fix a rate of 7 per cent or 8 per cent or ten per cent as a standard for all companies, and then, if they make excess profits over that rate, to take a proportion of those excess profits. It must be borne in mind that we are not taking all these excess profits. We did not confine the companies to 7 per cent under the Business Profits Wax Tax Act of last year. We took only one-quarter of the amount earned over 7 per cent upon capital as defined in the Act. This year we take one-quarter over 7 per cent and up to 15 per cent. That is to say, if a company is earning 15 per cent, we leave it 13 per cent and we take 2 per cent. Then, between 15 per cent and 20 per cent, we take one-half, that is 2½ per cent. So that a company earning 20 per cent gives 4½ per cent and keeps 15½ per cent. Then we take 75 per cent over 20 per cent. That is a heavy tax, but we are here getting up to the point where the dividends are abnormal. Take the industrial companies listed on the stock exchanges of this coun-

try, and it is not very often that in peace time they show more than 15 to 20 per cent profit. I am aware that many commercial companies that are not listed do show very much larger earnings than that, but probably not when you take into account, what we do take into account in connection with this measure, namely accumulated profits and unimpaired reserve as part of their capital.

As I have said, I invite fair criticism of this measure. We do not want to unduly tax industry; we do not want to drive capital out of this country, and we do not want to prevent capital coming in. But I do feel that we have a duty towards the public, and that in connection with the prosecution of this war, if abnormal profits are being made in munition supplies or in any industry, which on account of the war enjoys exceptional advantages and is making abnormal sums of money, it is our duty to take a substantial part of that money for the use of the State.

It may be that the Bill is too severe. I have always been willing, if that is shown to be the case, to make concessions, and I want to assure the House that instead of depreciating criticism I invite it.

Mr. CARVELL: If the hon. gentleman is so anxious for criticism possibly he will pardon me if I give him my view. I do feel like criticising the Finance Minister, not so much on account of the actual provisions of this measure as upon his general policy. I do not think that he is taking enough out of the people who are earning money and who are financially in fairly good condition. It is said that Canada is prosperous to-day. There is, no doubt, a considerable degree of prosperity among certain classes of people, though I am afraid that if the minister went into the ordinary labouring districts he would have a somewhat different story to tell. However, so far as the financial world is concerned, there is a great degree of prosperity. But my hon. friend must realize that that prosperity is the result of abnormal conditions and of the influx of an enormous amount of borrowed money that is being scattered all over the Dominion. I suppose my hon. friend himself is spending $300,000,000 or $400,000,000 yearly in the Dominion which is absolutely borrowed money and upon which interest must be paid next year and the succeeding year and during the years of our children's children. Then, another $300,000,000 or $400,000,000 are coming in from the Allied countries for the purchase of munitions alone, and hundreds of millions are coming in for the purchase of natural products over and above what would be the legitimate price that we would ordinarily receive for those articles. This is making a false prosperity which is not equally distributed among the different classes of people. It seems to me, therefore, that it is the duty of the Finance Minister to take as much of this money as he can get his hands on, in order to avoid borrowing too much money and rolling up the public debt to too great an extent. I do think that in some cases he should make a distinction between the different classes of industries from which he is taking money by way of taxation. I do not think that my hon. friend is justified in taking the same percentage of profits from the regularly established companies that are carrying on the same business that they carried on before the war broke out as he is taking from the mushroom companies which have been established as a result of the war, are making money out of the war and are doing nothing but a war business. There are hundreds of such companies in Canada. Hundreds of companies in Canada have never put a dollar of their own money into their business; or, if they did, they were allowed such prices that within the first five or six months of operation they got all the invested capital back again and are now making enormous profits upon invested capital furnished them by the Government. That class of industry should pay a much higher rate of taxation than the well-established Canadian industry which was in business before the war commenced and which hopes to be in business after the war is over. An instance of an industry which my hon. friend has taken by the throat and forced to sell its product at a certain price is that of the newsprint paper industry. Industries such as this which were here before the war and have been carrying on a legitimate business, are, no doubt making large profits and are contributing a large proportion of excess profits to the Government. But surely it is unreasonable to say that an industry of that kind should contribute the same proportion of its earnings or profits to the state as the munition maker, who never put a dollar into the business and who is taking out of it 40, 50, 60, 100, 300, and as high as 900 per cent—and this in a case where you do not fix the price of the product.

Another criticism that I wish to make is one that has been reiterated in

the House a good many times. In fixing the minimum amount of capitalization in respect of which taxation shall be imposed, the minister has not, I think, gone far enough down in the scale. He says that one has to stop somewhere. I admit that, but instead of stopping at $50,000, I would go down to $25,000, and even lower. Every man must make some sort of sacrifice in order to furnish money with which we may take our part in winning the war. The sacrifice being made by the company that is losing 25 per cent of its excess profits over and above 7 per cent is a mere bagatelle compared with the sacrifices that are being made by the people who are contributing to patriotic purposes. Why should not a company capitalized at even $25,000, and making profits of 7, 8, or 10 per cent, be compelled to contribute its proportion of the war taxation? My hon. friend says that you ought not to tax the dividends on stocks because the company has already contributed a portion of its profits. That may be true, but if I have $1,000 coming in from one industry, $1,000 from another and similar amounts from others, and am getting a total of say, $10,000, why should I not contribute a portion of that amount to the State? The reason given by the minister is that the companies in which I have my money invested have already contributed a certain proportion of their excess profits to the State. I do not think that the argument is logical. I think that we should go down the scale as far as it is possible to go without involving too great a cost of collection. The minister will say that if too many small companies are included in the taxation, the cost of collection will be greater than the amount received, but I think you can go away below where the minister is to-day before you reach the point where the cost of collecting will exceed the receipts.

Sir THOMAS WHITE: My hon. friend will recollect that there is no exemption of companies and firms engaged in the munitions business.

Mr. CARVELL: I am aware of that, but I have companies in mind which, with a capitalization under $50,000, are earning handsome dividends. This war has made it possible for hundreds—I think I may safely say thousands— of companies to get rich indirectly as the result of the war, though not engaged in manufacturing munitions. That is another criticism that I make in all sincerity. I could give the minister instances which have come within my own personal knowledge, and I am satisfied that every hon. gentleman could give similar instances, of companies capitalized at less than $50,000, which are making big profits as a result of the war, but who are not contributing towards the war expenses. As to the question of incomes, it is not my purpose to discuss that at length, because it has been discussed a good many times in the House. But there is hardly a city or a country district in Canada which does not contain a number of men who are in receipt of big incomes which go scot-free so far as taxation is concerned. I am sorry to say that a large proportion of those people do not even contribute to patriotic funds, Red Cross funds, or anything else of that nature, and I do submit that this class of people should be taxed. I make a more severe criticism of the minister for allowing these men to go free than I do of all the other things put together. I suppose there is not a man within the sound of my voice to-night who could not pick out half a dozen or a dozen persons in his own constituency who have accumulated a large amount of money, who never spend a five dollar bill unless they have to in order to purchase the actual necessities of life, and who salt their money away in bonds or stocks or stockings or banks—and contribute nothing in the way of taxation. The Legislature of New Brunswick a year ago imposed a direct tax in order to raise $500,000 for the Patriotic Fund; this method of raising the money was adopted in order to get after the men who would not contribute voluntarily. These people ought to be compelled to contribute a very large proportion of their incomes in order to assist in carrying on the war. The minister says that we should not tax these people because they may be managers of a corporation which is paying a large proportion of its excess profits. That has nothing to do with the matter at all.

9 p.m.

Sir THOMAS WHITE: I indicated that some of those who are receiving salaries from the companies were also shareholders in the companies. I agree if the manager is also a shareholder in the company—

Mr. CARVELL: That is worse. He enjoys a big salary.

Sir THOMAS WHITE: A company is as I said subject to the tax, and the shareholder would also be liable to taxation upon income.

Mr. CARVELL: Why should he not be liable upon income? The most severe criticism I have to make to the minister in this whole business is the fact that when he issued his first call for an internal war loan —and he has repeated the offence in every war loan down to the present time—he persistently and deliberately provided, and advertised it to the world, that the man or woman who invested his or her money in that war loan would not be called upon to pay any tax which the Dominion might impose upon incomes. He has proclaimed this to the people of this country: You invest your money in this war loan and you will not have to pay an income tax. If the minister at any future time wishes to impose an income tax, he will have $350,000,000 of the savings of the people of this country exempt from taxation, and he has practically made it impossible to work out an income tax in this country in a fair and honest manner. I am not going to impute motives; I do not wish to impute motives to the minister or to any other man; but the result of his conduct and of his advertisements in the handling of these war loans is that he will meet with a great deal of difficulty in arriving at a fair and equitable income tax in Canada. There are cases of rich men investing a hundred thousand dollars, five hundred thousand dollars, a million dollars in these war loans, which are the greatest cinch that I know of in the financial world to-day. A man invests a million dollars of his wealth in war bonds, and when the income tax collector comes around to him and says: I want you to pay income tax, he replies: My money is invested in war bonds and I go scot-free. My hon. friend says it is open to argument whether or not we shall have an income tax and things are certainly looking serious; but he has spiked his guns before he comes to that position; he has put himself in a position where he cannot collect income tax on $350,000,000 of the savings of the people of this country, and I know no class of investors would be in a better position to pay taxes than those persons who have raised the $350,000,000 of these internal war loans. My hon. friend may think my criticism is not as gentle as that of my hon. friend from Halifax (Mr. A. K. Maclean), but it is just as sincere and it is given with just as good grace and with no more bitterness than has been that of my hon. friend from Halifax. I have presented these things as I view them; I trust the minister will take some notice of them, and I hope my views will benefit him and, together with the criticism of the rest of my friends around me, the result will be that Canada will raise more money to carry on this war as she goes along, and when money is plentiful, and that she will not borrow so much money now and have to pay more interest when the time of peace comes. I do not think I was ever charged with being a pessimist, but I do look with the very gravest apprehension upon the affairs of this country when peace comes. When I think of three or four hundred thousand soldiers returning to Canada—and I hope that number does return—and of three or four hundred thousand munition workers being practically thrown into the streets; when I think of the tremendous debt and of the enormous interest charge that must be met; when I think of the pensions that must be paid to our soldiers or their dependents—a debt that must be met even if we have to sell all our land and property to meet it—when I think of the falling revenues that will occur, I feel it is the duty of every man in this country, no matter whether he be a financial magnate or not, to try to see if we cannot keep this debt down to something like reasonable dimensions and collect as much money as possible out of the people to-day when they are well able to pay it. Every million dollars we take out of the people to-day in taxes means one million dollar less on which we shall all have to pay interest for all time to come.

Sir THOMAS WHITE: My hon. friend stated that he was more severe than our genial friend from Halifax (Mr. A. K. Maclean). He was a little more severe, but he was not quite as well informed. I do not think my hon. friend from Halifax will put forward the argument which my hon. friend (Mr. Carvell) stated was his main one, in criticism of this measure, namely, that we had exempted the war bonds which we issued from any income tax imposed under the authority of this Parliament. I would agree with my hon. friend as to the extreme undesirability of issuing bonds subject to that condition, if it could be avoided, but I say to my hon. friend that I know this opinion will be confirmed by any financial man in this country or in the United States, namely, that we could not conceivably issue a loan to the people of this country and the United States unless that provision exempting them from any income tax was inserted on the face of the loan.

Mr. CARVELL: My financial transactions are, of course, very small compared with

those of my hon. friend, but I have a good many clients who invest money, and I have never in my life had the question asked me by a client whether bonds were exempt from income tax or not.

Sir THOMAS WHITE: That may be, but my hon. friend is thinking about peace time conditions, and I do not think the question would be asked under peace time conditions.

Mr. CARVELL: I am speaking about the war loan.

Sir THOMAS WHITE: Precisely, and we are in war times. I do not think the public or we in this House realize the magnitude of our issues. It is not a question of issuing a loan of five or ten or twenty-five or thirty million dollars in an issue. Before the war broke out the largest loan ever put on by the Dominion was £6,000,000; now we are putting out hundreds of millions of dollars of these war loan issues, and we shall have to continue to put them out during the remaining period of the war. When you are seeking money on this scale and when it is in the mind of the people that the Government may have to resort to extreme measures of taxation, measures never resorted to before, then the investor raises the question: What about income tax? When I made the issue of $45,000,000 in New York in August of 1915, and when I made an issue of $75,000,000 in March of 1916, the first question that arose was: "What about income tax; are those loans subject to income tax or not?" You could not have sold in New York or elsewhere in the United States an issue of bonds which might be liable to income tax of the issuing Government for the reason that men buy these down to a percentage of a point having regard to the prevailing market conditions. You can put out an issue at 5.40 where you could not put it out at 5.25 or 5.30. If the purchaser is uncertain as to whether there is going to be an income tax of two per cent, three per cent, or five per cent upon the interest derivable from an investment, he will probably not purchase. Scores of people might purchase, but you will not get the investor who is in the habit of investing large sums of money to take your securities in time of war unless they are exempt from income taxation.

Mr. CARVELL: What about internal issues?

Sir THOMAS WHITE: The same is true of them. You take those loans which we put out internally. The average citizen probably does not stop to inquire, but his investments are only a fraction of the whole. It is the man who is accustomed to invest who considers his investments carefully, and it is the insurance companies, the loan companies and these other companies, which are most careful in regard to their investments.

It is an attraction, a necessary attraction in connection with war loans that they should be free of income tax. The issue that the United States is putting out to-day is free of income tax, but not free, I believe, of succession duties. In England, the very home of income tax, in order to meet the situation in connection with their last loan they had to make a double issue, so to speak, one free of income tax and the other subject to income tax, with a very substantial difference in price between the two issues. If we had put out our loan without the provision of exemption from income tax, we should never have been able to sell it on the same interest basis. Consequently it is as broad as it is long. What we might have realized hereafter by way of income tax legislation would have been lost at the time of the issue. I stated when presenting the Budget that if we had an income tax it would fail to reach a large proportion of our population by reason of that unavoidable provision in our bonds. I agree with my hon. friend that it is desirable to avoid such a provision if we possibly can, but it could not have been avoided, and I submit that to the judgment of this House.

My hon. friend has raised the question of the paper industry, and I do not desire specially to discuss that matter to-night except to say this, and I do not know that these remarks will apply exclusively to the paper industry. It is of course a great industry whose development and success we are all interested in, but it would not be possible for me to look at it differently from any other industry. We have unlimited resources of the raw material which is the basis of the paper industry, and it is a great industry to be encouraged and developed. The situation in regard to the paper business was abnormal and exceptional. Why? Because of the limitation upon the supplies available at the present time The supplies of sulphite from Scandinavia are shut off by the war, and the result is practically a monopoly in newsprint. I do not say that it is an intentional monopoly; I do not for one moment say that the men engaged in the manufacture of

newsprint are attempting to monopolize the situation, but a virtual monopoly does exist on this continent by reason of the limitation of the supplies, and the result is that the price of paper has gone up by leaps and bounds.

Mr. LEMIEUX: The cost of transportation too.

Sir THOMAS WHITE: It was admitted in my office that the price could practically be fixed as was desired by the manufacturers, but they claimed that the prices which they were charging were reasonable. It is true that their costs have gone up. They had gone up last fall when the matter was drawn to my attention, and they have gone up, I believe, since. In order to deal thoroughly with the situation, the Government on my recommendation appointed a commissioner who is engaged to-day in investigating the cost of production and the conditions in connection with that industry. I might say here, that there is no question in this country or the United States that has given the governments of both countries more trouble than this difference of opinion existing between the press and the newsprint manufacturers. This matter has been adverted to so often in this debate that I take this opportunity of saying that in November last I was waited upon by representatives of the press of this entire country, all sections being represented from Halifax to Vancouver, Liberal and Conservative alike. They drew my attention to the fact that under the prices then existing—and they pointed out what was open to them in the way of increasing the price of their newspapers and the charge for advertisements—they were threatened with ruination. It was not difficult to figure; they used so much newsprint; the price had jumped from such a figure to such a figure, and there was the net result. In many cases the earnings were wiped out completely, and in others they were substantially affected. I did not go out for the purpose of inviting the press to ask me to take up this question; the press came to me as they came to the authorities in the United States, and asked that the question be taken up as it was vitally affecting their business. This was in November. I called a joint meeting and the matter was so urgent that I called it on a holiday, Thanksgiving Day. I asked the newsprint manufacturers and the newspaper publishers to send representatives to Ottawa, and they came and we held a joint meeting. I said: "Gentlemen, I do not want to interfere in this matter at all; it is an invidious task interfering in matters of this kind; I realize how complex this situation is, and I want you to appoint a committee of three from each side and see if you cannot reach a basis that will be fair." I pointed out that the war had created an exceptional condition, that supplies were hardly available from Scandinavia, that the situation was such that a virtual monopoly existed, that the profits of the sulphite and paper companies appeared to be large—and I had figures in substantiation of that placed before me—that on the other hand the newspapers were very hard hit and some of them threatened with ruin. I pointed out that the press was not a private enterprise, that although privately owned it had a quasi-public character, and that I did not think any government in this country could stand by and see the destruction of the press on any substantial scale, and I stated that representative newspaper men in this country had represented that unless something were done that would be the inevitable effect of the increase in prices. The committee that was appointed failed to reach a working basis. They continued their negotiations, I believe, during my absence in England in November, and on my return the matter was again brought to my attention by the press. It had become still more urgent, and finally, having regard to the public interest and the desirability, as I conceived it, that the press of this country should be continued and not be ruined, we looked into the matter further and an Order in Council was passed which gave us power to deal with the situation. I differentiate that case absolutely from an ordinary business, because as I have said the press is quasi-public in character, especially in war time, and also because of the exceptional circumstances surrounding the paper industry by reason of which supplies ordinarily available in peace time were not available then, and the price had risen to a figure very much in excess of what at that time, at all events, appeared to be justified by the increased cost of production. We were not alone in that action, though we dealt with the Canadian situation only. At the same time the situation was being dealt with on the American side, and there certain prosecutions were instituted. I pass no opinion upon these, as I do not know the facts. But what I say

is that an extraordinary situation existed in the United States and in this country, so extraordinary that the Government there is concerned about it and action has been taken there looking to the relief of the press, and action was taken on this side, having a similar object in view. The hon. member for Carleton (Mr. Carvell) asks why the paper industry should not be put in the same category as the manufacturers of munitions. We are not discriminating against any industry by this taxation, for practically all industries in Canada are subject to it. But the paper industry has enjoyed exceptional profits by reason of the limitation upon the usual supplies of sulphite on this continent. I do not know what the situation is to-day, we are investigating it. But I know that the profits made in some cases have been exceptionally, abnormally, large.

Mr. McCREA: Have these exceptional profits been made from the manufacture of newsprint or from other branches of the industry?

Sir THOMAS WHITE: I could not say as to that. The businesses are different. It was brought to my attention when I had this matter under consideration that some newsprint manufacturers produce their own sulphite, while others buy their sulphite from the manufacturer of that product. Some sell exclusively in the United States, some exclusively in Canada, and some find markets in both countries. The investigation of the newsprint business would inevitably involve an investigation of the sulphite industry. I dealt with an association, the Pulp and Paper Association, and, certainly, precipitate action was not taken. It was only when all the resources of persuasion had been exhausted that we took the action we did. I believed that they had the power, by adjustments among themselves, to bring it about that reasonable prices could be granted to publishers of Canadian newspapers. I felt more justified in taking the attitude I did because they had the American market—and the Canadian market is only about one-sixth of the entire market. They could afford to deal reasonably, very reasonably, with these customers here, who are hard hit by the war, and who have been their customers for many years. The action we took, I think, was absolutely justified as a war measure. I believe that if we had not taken it the effect upon the press of this country would have been most serious—I use no stronger term.

Mr. CARVELL: I assure the Minister of Finance that I would not set my knowledge of finance against his, or that of my hon. friend from Halifax (Mr. A. K. Maclean). Yet, notwithstanding his very laboured explanation, I am not satisfied. It is very easy for him to advance theories which he has never worked out in practice, and to argue from these theories. But I would like to have seen him try to raise an internal load without attaching to it the statement that it would not be liable to income taxes. According to his ideas of finance, this would not do. But he has not tried it out. In view of what he has said, what becomes of all the newspaper articles we have seen for the last year about the patriotism of our financial people in raising victory loans? If what the hon. minister says is correct, these people were making a shrewd business bargain, and if they had seen a fifth of a point, or even a tenth of a point, of advantage in placing their money elsewhere, they would have placed it elsewhere. I do not believe that; I believe the financial people of Canada have more patriotism than he gives them credit for, and that they would have invested in the war loan, even if he had not put in that rider about income taxes. I think he should have taken the chance, even if he had had to sell the bonds at a little less than he received for them. The revenues he might have received by taxes on the income of these bonds would have been much greater than the small discount he might have had to allow in selling the bonds. As I say, I do not put my knowledge of finance against his, but I am simply putting forward the views of a man from the country who has given some thought to these matters.

As to the paper business, I had no object in referring to what the minister did in relation to this business, except to compare with the way in which he has treated these concerns whose profits are regulated by the open market and the way he has treated his friends, the munition manufacturers, some of whom have made nine hundred per cent profit. I do not know, nor care, very much about the manner in which the price of newsprint paper is fixed. But if it was such an easy matter, and involved so little harm, to take these people by the throat and say, "You should not charge more than so much for paper," why could he not have applied the same doctrine to the people who are selling wheat at $3.25 a bushel and making millions and

hundreds of millions out of it to-day? Why could not he apply these measures to the dealers in many other products that are being sold at fabulous prices? This is not germane to the subject under discussion, yet I could not help reminding my hon. friend of some of the powers conferred upon the Government by the War Measures Act. We have discussed this before, and I suppose we should have nothing more to say about it now. But, if the minister be in a receptive mood, I hope that before these resolutions are acted upon, he will give these matters serious consideration and see if he cannot in some way get more money out of the moneyed people during the times of present prosperity. He should invoke some new measure of taxation, and make the man who has a large income contribute a portion of that income to the state and put our finances in a better position than, I am afraid, they are in at the present time.

Mr. J. G. TURRIFF (Assiniboia): Criticism has been levelled at this excess profits tax ever since it was enacted. The two main criticisms that I have heard during the past year have been dealt with to a certain extent by my hon. friend from Carleton (Mr. Carvell). One of these criticisms is that the hon. the Minister of Finance (Sir Thomas White) has made no distinction whatever between the ordinary, regular business concern that had been in business for five, ten or perhaps fifty years previous to the war, and which was doing a fair and legitimate business, and those companies that have been established for the purpose of supplying war munitions to the Government. In many cases, especially in connection with these larger companies, the Government has supplied all the capital for these enterprises. They granted them contracts running into the hundreds of thousands, millions and tens of millions of dollars for the manufacture of shells and—I am not complaining of it—they gave them prices on the first orders, three, four and five times the amount that it cost to manufacture the shells, for the express purpose of enabling these companies to pay for their plants and buildings and to give them a handsome profit the first year. Granted that that was all right, on what ground and justification does my hon. friend put that company on the same level as the legitimate business enterprise that may have been struggling for ten, fifteen or twenty years and which, when times became good owing to the war, has made a profit, although it had not been making one dollar of profit for three, four or five years previous to the war? Why, I ask, does the minister put a legitimate business enterprise of that kind on the same footing as a war munitions profiteer? That is the criticism that has been heard all over the country. I do not believe that the men who are paying these war taxes to-day are complaining because they have to pay them, but their ground of complaint is that only one man with money in ten is being taxed at all. It is not the amount of taxation that is being taken out of the manufacturer that is causing him to complain. The main ground of complaint is that he is singled out and all the moneyed people are allowed to go scot free.

Sir THOMAS WHITE: Who are singled out?

Mr. TURRIFF: I say that the manufacturers and business men of the country paying this excess war tax are not complaining about what they have to pay, but what they are complaining about is that they are singled out and called upon to pay it while nine others who are making an equal or a greater amount of money are not even asked by the Government to pay one dollar.

Sir THOMAS WHITE: Who has my hon. friend in mind when he speaks about men who are making an equal or greater amount of money than the munition or other manufacturers?

Mr. TURRIFF: Let me give my hon. friend an instance. There are in the city of Ottawa, and in every city in the Dominion, men walking around the streets who are making from $100,000 to $200,000 clear cash every year out of their investments, and they are not called upon to pay one dollar. My hon. friend knows it perfectly well. That is not fair.

Sir THOMAS WHITE: If they are in business—

Mr. TURRIFF: But they are not in business.

Sir THOMAS WHITE: Well, then, we must have an income tax to reach them. You could not single them out by a special Act. Are they not subject to income tax in Ontario? For instance, they have an income tax in Ottawa ; are they not subject to it?

Mr. TURRIFF: There is no income tax in Ontario for war purposes.

Sir THOMAS WHITE: I do not mean for war purposes.

Mr. TURRIFF: My hon. friend is raising this tax for war purposes and he singles out one man in ten and imposes this heavy tax on him, while the other nine men who are making money much more easily, who are not employing anybody and who have incomes ranging from $5,000 up to $200,000 escape. My hon. friend says to them: we do not ask you to pay a dollar. That is what the men who are paying this tax complain of. They do not complain of the amount they are called upon to pay, but they do complain because they are singled out. One-tenth of the population has to pay $12,500,000, and all the millionaires and multi-millionaires are allowed to go scot free and are not asked to pay one cent.

Sir THOMAS WHITE: Are not the incomes of most of these men derived from dividends on shares in companies which are subject to this tax? I believe they are.

Mr. TURRIFF: Supposing they are, is that any answer to the argument? Take, for instance, the case of a man who has money invested in bank stocks. The banks do not pay any tax under this Act, but they pay a tax under the Act that was put in force previously, the Act imposing taxation on loan companies, insurance companies and banks. Supposing that a man has money invested in bank stocks.

Sir THOMAS WHITE: Banks are liable to this tax if they make sufficient profits.

Mr. TURRIFF: The tax is so fixed that it does not reach the banks as it reaches the manufacturers, except such as the little bank in my constituency which has a paid up capital of $250,000. The banks pay the tax that my hon. friend put upon them a year ago. But take the case of a man who has 100 or 1,000 shares in the Bank of Montreal. The Bank of Montreal pays whatever tax my hon. friend has put upon it and it is a very mild tax, but does the paying of that tax keep the bank from paying the dividends that give the man who is walking around the streets of Ottawa an income of $50,000 or $100,000? Because that man gets that dividend from the banks which pay this small tax is that any reason why the man receiving probably $100,000 a year should not pay anything? It is the most absurd thing that I ever heard of. This excess business tax is a tax made for the one and single purpose of letting nine millionaires or rich men out of ten escape altogether without even being asked to pay the tax. That is what my hon. friend from Sherbrooke (Mr. McCrea) objected to, not to the tax that he had to pay. I do not think I heard one word of objection from my hon. friend to paying the amount he had to pay provided there was an even tax all round and that other men who had an income equal to his should pay their share.

Sir THOMAS WHITE: My hon. friend is contending really for an income tax? Is that not really it?

Mr. TURRIFF: Yes.

Sir THOMAS WHITE: Oh.

Mr. TURRIFF: My hon. friend can call it what he likes.

Sir THOMAS WHITE: Is my hon. friend then in favour of an income tax?

Mr. TURRIFF: Certainly; I think it is absurd that a man who is working hard in business, employing hundreds or thousands of men and women, helping the development of the country and who makes, say, $50,000 a year should be discriminated against. The manufacturer who makes $50,000 a year should undoubtedly pay heavily out of it in taxes, but why should the man who has $1,000,000 invested in bank and railway stocks and bonds that pay 5 per cent, who is doing nothing except cutting off and cashing coupons, but who makes $50,000 a year cash income, pay not a dollar towards the cost of prosecuting the war? Why should the one man pay $10,000 or $15,000 in taxes and the other pay nothing? If my hon. friend is trying to avoid taxing this class simply because he sees that it will be difficult to collect the income tax, that is simply begging the question. As has been pointed out by the hon. member for Carleton (Mr. Carvell), the Minister of Finance has so placed his loans in Canada that when another $500,000,000 that is now lying in the banks drawing 3 per cent is put into Canadian bonds for the carrying on of this war, and we have altogether one thousand millions of Canada's savings invested in war loans, none of it paying one cent of income tax, guaranteed by the terms of the bonds against the imposition of such a tax, then my hon. friend in two or three years, if he is still in power, will come forward and say: Well, the time has come when we ought to have the income tax, but unfortunately there is one thousand million dollars of the investments of Canada on which we cannot collect an income tax. My hon. friend from Carleton never said a truer word than that

if the loans had been made in Canada without any exemptions from income tax it would have made a trifling difference only in the cost of these loans. This money is lying in the banks drawing 3 per cent, and why would not the people put it into war loans, Canadian Government bonds at 5½ per cent, even if it might be subject in the years to come to an income tax. They are getting almost double the rate of interest that is paid by the banks. Thus this tax is the most unfair tax that ever was levied in any country.

Sir THOMAS WHITE: Not quite so bad as that.

Mr. TURRIFF: Well, if it is not quite so bad as that, my hon. friend must have it in his mind that it is pretty bad anyway. This discrimination is undoubtedly a source of dissatisfaction. I have never yet heard one man in Canada object to paying the tax; but I have heard hundreds object to paying the tax and having others get off scot free. I think my hon. friend should take into consideration a change in his system of selling bonds, in making future loans. Let him leave these bonds subject to income tax. The time is coming and is not far distant when we shall have difficulty in raising the revenue necessary to pay the pension fund, the interest on the war debt, the sinking funds, and all the expenses of running the country. I have noticed during the last day or two, in the discussion of this measure, that my hon. friend lays great stress on the necessity of winning the war. We all agree that we must win the war, and my hon. friend, of course, wants to keep the financial matters of the country right. Let me ask the minister if when, last year, he gave his authority and sanction to the handing over of $8,000,000 to Sir Rodolphe Forget for his railway, which he knew then and knows now will never, as long as my hon. friend or the youngest boy in this House survives, earn one cent of interest on the money—

Sir THOMAS WHITE: Is my hon. friend not talking about the National Transcontinental Railway?

Mr. TURRIFF: I am talking about the $8,000,000 which my hon. friend gave to his political associates, and I am asking him if he thought that he was helping to win the war by giving that $8,000,000 to Sir Rodolphe Forget. There is no man in this country—because I have a great respect for my hon. friend's ability——

[Mr. Turriff.]

Sir THOMAS WHITE: I doubt that sometimes.

Mr. TURRIFF: I have a great respect for his ability; but I should like to see him a little more free from the influence of some of his associates. My hon. friend would never have given that money of his own free will, I know him better than that. All I wanted to ask him was, did he think then and does he think to-day, that in giving that $8,000,000—because it will cost Canada that much anyway, he was helping to win the war? That is a question my hon. friend has to consider.

Now let us see how much we are doing to pay for this war. This war has been going on practically within two or three months of three years, and during that time we have put $10,000,000, in round figures into winning the war—$10,000,000 of revenue, with all the taxation that has been put on the people. Do not let my hon. friend forget that at the first war session, the short session of five days, in August, 1914, he put on new taxes to the extent of many millions of dollars. Do not let my hon. friend forget that in the following session we amended the Customs Act again and imposed taxes of many million dollars on the people. Do not let him forget that, in addition to his custom taxes, he taxed everybody, poor and rich alike, by means of the stamp taxes and the railway ticket tax. My hon. friend from North Oxford (Mr. Nesbitt) is accused of travelling in pullman cars. No doubt he does sometimes, but each time he pays his five cent tax on his ticket.

Sir THOMAS WHITE: That was only a joke.

Mr. TURRIFF: But the man who has to buy a railway ticket, the labouring man who buys his ticket from here to Aylmer, ten miles, pays the same.

Sir THOMAS WHITE: He does not pay a cent.

Mr. TURRIFF: Well he did.

Sir THOMAS WHITE: Only when the ticket costs over a dollar.

Mr. TURRIFF: Well, if he goes thirty-three miles he pays the same as the wealthy man who starts from here and goes to Vancouver and back. He pays practically the same amount. That is a tax on the poor man, and as usual, the rich man is favoured. But with all those taxes that have been put on, the direct taxes and the custome taxes, my hon. friend has put only

$10,000,000 to the good towards the war in three years. That is the position Canada is in to-day. It is all very well to boast about what Canada is doing, but I agree absolutely and entirely with the statements that have been made here this evening, that during this time, when we are getting in $1,000,000 a day for munitions of war, when orders to the extent of $1,500,000,000, practically, have been placed in Canada, on which probably $500,000,000 of money has been made in profits, out of those huge profits made last year and the year before, we have got in taxes from the wealth of Canada the paltry sum of $12,500,000.

Sir THOMAS WHITE: How much does my hon. friend say has been spent on munitions? Did he say $1,500,000? If my hon. friend will go to the Munitions Board, he will find that it is not much more than one-third of that amount.

Mr. TURRIFF: I have heard hon. gentlemen opposite boast of the hundreds and thousands of millions of dollars that have come into the country for munitions of war. How much did come in? Taking the orders from Russia, France and Britain, and including orders for munitions and supplies for the Canadian troops, certainly the amount was over $1,000,000,000. Taken all around, the profits on that amount would be at least one-third, and out of the vast profits made, the wealth of Canada last year produced only $12,500,000 in taxes, which my hon. friend expects to increase to $15,000,000. So that we are doing practically nothing; we are piling up a burden of debt that is going to exceed $1,000,000,000 and the boys who are risking their lives at the front for Canada will, when they come back, after having saved the Empire, have to shoulder the load and pay the interest on this money, a great deal of which should be collected at the present time. If my hon. friend would collect the same amount from all the wealthy men in Canada that he is collecting from the business men and the manufacturers, he would be able to pay tens of millions of dollars each year towards the expenses of carrying on the war and would avoid piling up so much debt for the soldiers to pay interest on when they come back. That is the weakness of the system that the Finance Minister has adopted for the collecting of war taxes. We are not carrying on the war with the taxes we are collecting; we are using that money to run the business of the country. During the last year we have paid the interest on the war debt and the pension fund, but if we do our duty as Britain is doing hers and as the United States is preparing to do hers, we will change the system and tax everybody alike. Why should not a man with an income pay taxes? He is not paying any war tax to the province or to the municipality; he is going scot free. Unfortunately, often it is the man who escapes taxation by law who refuses to contribute to the Red Cross and the Patriotic funds. There is no use depending on the voluntary subscription of a man of that kind; you have to impose a tax. Nobody will object if the tax is made equitable, and an income tax can be evenly and equitably applied. A man with an income of $5,000 or $3,000 will not pay the same percentage as the man whose income is $15,000 or $20,000 a year. In Britain the man who is vastly wealthy, with an income, say, of £100,000, pays, I think, 33⅓ per cent. Many men in Canada have an income of $500,000; why should they not pay one-third of it, or some large percentage, in time of war? Why should the manufacturers and the business men be called upon to contribute part of their profits while these men with equally large incomes, who do not do as much to earn the money, are not even asked to pay anything? Let me give the Committee an idea of what the British Government is doing. Great Britain's total revenue for the year ending March 31, last, amounted to the enormous sum of $2,867,000,000, which is an increase of $1,183,000,000—I am giving only the round figures—over the total for the preceding year. How was this tremendous increase brought about? The taxation on excess profits netted the sum of $699,600,000 or 24·43 per cent of the total revenue secured. Taxation on incomes and property netted the sum of $1,025,000,000, or 35·77 per cent of the total revenue secured. Customs taxation netted $352,000,000, or 12·21 per cent of the total revenue secured. Excise netted $281,900,000, or 9·77 per cent of the total revenue secured. The remainder was secured from various minor sources. It will be noted that from excess profits and accumulated wealth and incomes, 60.23 per cent of the total enormous revenue of the United Kingdom for the past fiscal year was secured. A large part of the small proportion contributed from Customs represented impositions upon luxuries. Let us contrast with these figures the proportion

under which Canada secured her revenue. I quote from a press report:

> The contrast between the above revenue statement and the revenue statement of Canada for the same period is startling.
>
> Canada's total revenue for the fiscal year just ended amounted to the sum of $228,217,270, the percentage of increase over that for the preceding year being almost equal to that of the United Kingdom. But what a difference there is in the sources from which it was obtained.
>
> In Canada the customs tariff accounted for $133,531,155, or 58.33 per cent of the total revenue secured.
>
> Excise accounted for $24,253,632, or 10.52 per cent of the total revenue secured.
>
> Railways and canals accounted for $25,018,997, or 10.96 per cent of the total revenue secured.
>
> Post office accounted for $20,031,627, or 8.77 per cent of the total revenue secured.
>
> The masses contributed the greatest proportion of the above amounts. But out of the total revenue of $228,217,270, excess war profits contributed the insignificant and paltry sum of $14,552,383, or only 6.58 per cent of the total revenue raised.
>
> In Britain excess profits and accumulated wealth contributed 60.23 per cent of the total revenue. In Canada excess profits contributed 6.58 per cent.

It will be seen, therefore, that Britain gets the great proportion of her revenue from her wealth, whereas in Canada the great proportion of the revenue is taken from the poor people, and the wealthy go free. The system of my hon. friend taxes the poor and lets the rich escape. And, because my hon. friend is taxing only a few of the wealthy people of Canada, under the proposed provision that we are now considering, the rich will continue to escape taxation.

I hardly think my hon. friend is quite fair in this proposed legislation. I do not want to do my hon. friend any injustice. When he brought down last year the legislation that he is now amending he said that the legislation would be operative during a period of three years. Any one reading his speech would come to the absolute conclusion that that was a fixture for three years. My hon. friend now goes back on what we understood him to mean last year and is now putting an extra burden of taxation on the same shoulders on which he put it last year, after stating, as every one thought, that that was the end of that system of taxation.

Sir THOMAS WHITE: What I did say was that the Bill would last just the three years. I do not believe I said that the measure would not in any way be changed.

Mr. TURRIFF: My hon. friend did not say in specific words: I will not come back and augment those taxes. I will acknowledge that, but the general tenor of his remarks was that the tax was a fixture to the end of the three years, and no one looked for any changes along that line. Let me quote just a few of the remarks made by my hon. friend. While he was speaking on the 16th of March, 1916, he said:—

> This is a temporary measure, and the operative part of it comes to an end at the date mentioned in the Bill, that is to say, the 31st day of December, 1917. It is true that in the succeeding year there will be a payment in respect of the accounting period falling due during the year 1917, but the Bill is designed to last only three years, and it will not last longer than that.

Mr. LEMIEUX: Did not my hon. friend, when he was introducing this Bill, say that we might expect some further taxation later on?

Sir THOMAS WHITE: No, I did not. Further taxation is possible, but I do not consider it necessary now to make any announcement along that line.

Sir THOMAS WHITE: What is the matter with that? I say that further taxation is possible.

Mr. TURRIFF: Later on in the same address, my hon. friend said this:—

> This tax is, as I stated last night, for a limited period. My hon. friend questions whether I was justified in making that statement. I certainly was justified in making that statement, because it represents the intentions of the Government. . . That statement is in no way inconsistent with that which I made last evening, namely, that this particular measure is for a period only. The principle of the resolutions, it would appear to me, indicates that. . . Therefore, it would seem to me that I am perfectly justified in stating, as I do, on behalf of the Government, that this is a temporary tax. In making that statement, I largely meet the argument of my hon. friend that capital might be discouraged from embarking upon Canadian enterprise.

My hon. friend gave as a reason why capital would not be afraid to invest in Canadian enterprises, that he had fixed the rate and that it was only a temporary rate. Now my hon. friend comes back over the same ground and loads up the same people after they have invested capital, and says: Instead of taking 25 per cent, if you make big profits, we will take 50 or 75 per cent. While my hon. friend did not specifically say that he would not do this, he let the people believe and let capital believe that he would not do so, and no one could come to any other conclusion than that.

Sir THOMAS WHITE: In what my hon. friend has read did I not say it was possible there would be further taxation?

Mr. TURRIFF: Yes, my hon. friend said it was possible there would be further taxa-

tion, and no doubt he was speaking then as he is speaking to-night to the effect that it might be advisable or necessary to impose an income tax. But there was nothing in the speech of my hon. friend last year that would, for one moment, lead any one to any other conclusion than that the tax he was then imposing on certain industries was a final and definite tax for three years, and that it would not be raised before the end of that time. That is the only conclusion that any man reading that speech could come to.

Mr. MACDONALD: And that capital need not be scared because the tax was going to be only 25 per cent.

Mr. TURRIFF: Later on in his remarks, my hon. friend said:—

> This measure, therefore, being a temporary measure, it is not conceivable to me, when it is understood, that it will have any effect in retarding the flow of capital towards this country.

If, when my hon. friend made this statement, he had said: Well this tax is for three years; I am putting it on now, but possibly next year I may have to come forward and say that I am going to raise that tax of 25 per cent on profits over 7 per cent to 50 per cent or 75 per cent, does my hon. friend for a moment think that would not deter capital from being invested? No man in Canada or elsewhere, after reading the report of the debate and the answers of my hon. friend could have come to any other conclusion than that, at all events for three years, there would be nothing more levied than 25 per cent on profits in excess of 7 per cent. It seems to me that my hon. friend is not doing himself justice on this occasion. I quite agree with him that more money must be levied. I would support him if he levied a tax that would enable us to collect $200,000,000 every year over and above the cost of running the country and if he put it into the carrying on of the war. He could get an extra $200,000,000 a year if he taxed every man of wealth in the same way as he is taxing men of wealth who have money invested in business or manufactures.

Sir THOMAS WHITE: Do not you believe it.

Mr. TURRIFF: That is what my hon. friend ought to do. Let him bring forward an income tax. Let him tax every one alike; let him take not only the extravagant amount that he allows his colleagues to spend but the pensions fund and the sinking fund and so on, but an extra $200,000,000 out of the people as the war is going on, and there will be very little objection if it is done, not as my hon. friend is doing it now, but in a fair, even way, so that the man who has $100,000 a year will pay more pro rata than the man who has $5,000. Let the minister do that and he will have all the income he needs and he will keep the finances of Canada in good shape; and let him also, when he makes further loans, eliminate that clause, that the bonds will not be subject to income tax, so that when we come to levy an income tax—and there will be an income tax in Canada in a few years no matter which party is in power—we shall be in a position to say that every dollar of money invested in Canada shall pay its fair share towards paying the debt of the war in adition to the cost of carrying on the affairs of the country.

Mr. McCREA: The Minister of Finance said this afternoon that last week I had been guilty of making a violent attack upon the Government, and especially upon himself. I wish to say that it was not my intention to be impolite or unreasonable in criticising the minister, although I criticised his method of taxation. I have no desire to be impolite or to use towards the minister or the other members of the Government language other than to criticise justly what I consider is entitled to criticism. The minister also stated that my criticisms were opposed to the tax.

If he will read my speech he will see that my criticism was of the inequality of the taxation; I said it was a tax bearing directly on but about five per cent of the population of Canada. If it were necessary, I said, I would be willing to be taxed 25, 50, 75 per cent, or even all my profits, provided everybody contributed in the same proportion; that was my attitude then, and it is my attitude now. I am still of the opinion that it is unfair and not in the best interests of the country to single out any one class and make it bear the whole burden. I have seen some criticism in the papers, and also heard some in the House, to the effect that, as I was a manufacturer, my complaint was purely an interested one. I do not suppose I could convince this House that such is not the case. Nevertheless, I wish to say that I have a very great interest in the welfare of this country. I have spent my life in doing a great deal of hard work, building up an industry with which I am still connected. But before my personal interests, I place the interests of my country. I believe the

effect of this taxation will have the effect of keeping capital out of this country, and I could not use a better argument than the one the Minister of Finance used a few moments ago when he told the House that it was absolutely necessary in floating the loans recently to specify in the prospectus that they would be free from taxation. Otherwise, he said, it would have been impossible for him to get anything like the same price for the issue. Well, if that applies to the selling of Government bonds, does it not also apply to the securing of capital for the development of this country? Comparisons have been made with the system of taxation in England. In my humble judgment, there is no comparison between this country and England so far as capital is concerned. This is an immense country, of untold wealth still undeveloped, and what we need for its development is, first, population, and secondly, capital, and if the Government by legislation frighten away capital, they will certainly not be helping to build up the country.

I said a moment ago that not over 5 per cent of our population would be directly affected by this taxation. But, indirectly, it will affect everybody, because if capital is driven away from the country our industries will become dormant or die from lack of capital, and then everybody suffers. I think it would be wise even at this stage for the minister to reconsider his measure of taxation with the object of devising some scheme for distributing the burden of taxation more evenly between all classes.

In his remarks this afternoon the Finance Minister stated that the first consideration was to win the war; he laid great stress on that. I hope that is what he had in mind when he was preparing this taxation. I hope I am wrong, but I fear he must have had in his head some thought of winning an election as well as winning the war. The minister said himself that this taxation was very popular. The reason it is so popular is because it is so unjust.

Sir THOMAS WHITE: I did not say it was popular. I said that I thought public opinion would sustain the measure. I did not use the word popular, so far as I recollect.

Mr. McCREA: The minister said this afternoon that the people did not like taxation. Consequently, he exempts 95 per cent of the people from the tax, and puts the whole burden on the other 5 per cent. This will please the people, and will probably be remembered when the proper time comes. I would like to say a few words about the paper business. I think in no other industry in Canada has so much energy been displayed and so much progress been made as in the production of paper of all kinds. To illustrate my meaning, I shall have to go back in history a little. Some thirty-three years ago I supplied the fuel and paper wood for the Canada Paper Company, and I remember in the spring when I was receiving my cheque Mr. Thomas Logan, the president, said to me almost with tears in his eyes, "I do not know what is to become of this business. I am paying 50 cents a cord more for wood now than I ever did in my life before, and I am selling my paper for 1½ cents per pound less than a year ago." I knew what price he was paying for his wood, and I was curious to know the price he was selling his paper at, so I asked him, and he told me that the year previous the average price was 10 cents a pound, but that he could only get 8½ cents at that time, and he almost had tears in his eyes at the thought of going into bankruptcy. To-day, before the war came on, newsprint was selling at about 2 cents a pound, and wood cost at least three times the price Mr. Logan had to pay then; that is, we were paying three times the price he was paying for his wood, and twice as much for labour and material, and yet the paper was selling for less than one-quarter the price he got thirty-three years ago. Yet he thought he would go into bankruptcy. I think this little story shows the great development that has taken place in the paper industry in this country, when newsprint can be produced so much cheaper than a few years ago. Down at Berlin in New Hampshire you will find a very large building in which are twenty or twenty-five men experimenting. If a man in the employ of a paper mill strikes an idea that seems to him an improvement in the processes or equipment of the works, he explains it to the manager. If the manager thinks there is anything in it he sends the man down to the building where the experimenting is going on. There the man finds draughtsman and all necessary assistance to put his ideas on paper. If the idea works out, well and good; his improvement or invention is adopted, and the inventor is rewarded. These are the methods employed by the paper manufacturers throughout the country, to produce paper at cheaper prices. The publisher wants all the benefit of this,

he wants to get paper at less than cost. Let me tell you the conditions in the paper trade prior to the war. You would think that when a man had cut his timber, driven it, and carried it through all processes of manufacture to the finished paper and delivered that paper f.o.b. cars at the station, he had completed his part, and that the publisher to whom the paper was sold should pay freight and handle the product at destination. But that was not the case. The manufacturer had to prepay freight, and even prepay customs, and deliver the paper at Philadelphia or elsewhere, store it, and pay storage, and then deliver it to the publisher at the sidewalk each day for his next day's requirements. Now, nothing but keen competition would have driven men to such a position as that. The war came on, and everything in connection with the manufacture of paper went up in price. Fourdrinier wires, one of the big items, went up eight hundred per cent taking into consideration both cost and the life of the material. Is there any reason why the publisher, instead of crying baby and telling the Minister of Finance his tale of woe, should not have passed on his increased price as men in other lines of business have done? There was no reason why he should not have done it. Does any man believe that because you have to pay two cents for a paper that you used to buy for one cent you are going to stop reading the paper? Or that because you have to pay fifty per cent more for advertising space, you are going to stop advertising? That might be so if everything were dull and dead. Two years ago the clerks were standing behind the counters with folded arms and nothing to do. But to-day, business is good. I am not referring to such conditions as those in Vancouver—you people there were in the land speculation business——

Mr. STEVENS: I was smiling, but it was to see the leader on that side (Mr. Graham), who is a publisher, and is suffering under the hon. gentleman's (Mr. McCrea's) remarks.

Mr. GRAHAM: Not badly.

Mr. McCREA: The Minister of Finance says that he has had more trouble over this than over all the rest put together.

Sir THOMAS WHITE: No doubt about it.

Mr. McCREA: I sympathize with the hon. minister, but the difficulty has not been caused by the manufacturers. They have not been trying to get unreasonable prices. Whatever may have been done in other branches of the paper business, the demands in regard to newsprint have been very moderate.

Mr. EDWARDS: What is the price of newsprint now compared with what it was before the war?

Mr. McCREA: It was two cents a pound before the war, and now it is two and a half cents—an increase of twenty-five per cent.

Sir THOMAS WHITE: What is the actual price to publishers in the United States to-day?

Mr. McCREA: It was three cents to three and a half cents, and in some places more.

Sir THOMAS WHITE: The hon. gentleman mentions a price of two and a half cents. That is the price existing as the result of the Government's intervention. But what would the price have been had it not been for the Government's action?

Mr. McCREA: I think the minister himself gave the proper answer when dealing with the other branches of the paper business—that supply and demand should govern. That is what should have governed in the newsprint business as in everything else. And it would have been wisdom on the part of the publishers to have paid a little more for paper for the time being. There was a movement to start new industries in paper manufacture by men who were imbued with the idea that there was all kinds of money in the business. They were looking out for new locations. But the moment the minister fixed the price of paper, he put the idea of big profits out of their heads, and they have gone home with their capital, and will stay there for some time. The publishers made the mistake of their lives when they undertook, through the influence of the minister, to fix the price of newsprint at a cent a pound less than the article could be made for legitimately. No man can go into the business to-day and make paper for less than one cent a pound more than the price that has been fixed. The minister may say that, taking a mill that is equipped, to manufacture from the standing tree to the finished product, there is a margin of profit. But the average price of sulphite pulp is not less than $100 a ton, and it requires 500 pounds of sulphite for one ton of newsprint. That represents $25

for your sulphite alone. Then it takes 1,600 pounds of ground wood pulp, which is selling—and quick sale, as fast as you can make it—at not less than $40 a ton. That is, for 1,600 pounds, the cost would be $32. Add this to the cost of your sulphite and you have $57 for this material alone. Then take the high price of coal, the high price of labour, and other necessary expenses, and the total will run to $70 a ton before you touch profits at all, or three and one-half cents a pound.

Mr. EDWARDS: This is a matter I know very little about, but with the hon. gentleman's permission I would like to ask a question in order that I may learn something about it. Am I correct in saying that the output of newsprint in Canada is about 1,800 tons a day?

Mr. McCREA: It is somewhere around that.

Mr. EDWARDS: And the price before the war was two cents a pound, and now it is two and a half cents a pound? Assuming a year of 300 days, that would make a profit at present prices, over and above what they were before the war, of $5,500,000 a year, would it not? I presume they were not selling at a loss when they sold at two cents a pound?

Mr. McCREA: They were not making any money.

Mr. EDWARDS: There is this difference of $5,500,000—

Mr. McCREA: What about the raw material?

Mr. EDWARDS: That was the point I was coming to. Whether the price is just or not can only be ascertained by estimating the cost of production. The hon. gentleman (Mr. McCrea) knows the facts. Does he contend that it costs the manufacturers of paper that extra $5,500,000 to produce paper for one year now as compared with what it cost before the war, and that the manufacturers are not making any money at two and a half cents a pound?

Mr. McCREA: No, they are not making any money. The cost of raw material and of labour have increased very materially. Coal alone is costing us about 100 per cent more, and it requires one ton of coal to make one ton of paper. Coal that used to cost $5 a ton is to-day costing $10 to $11. Fourdrinier wire is a big item of expense. It cost $212 prior to the war, and the life of it was about five weeks. We figured that out, taking it from the time we started using this material to the time the price increased, and that was the average cost. To-day the cost of the same wire is $490, and the life of the wire is 12 days. The cost of the wire is $490 as against $212 originally.

Mr. STEVENS: What accounts for the difference in the life of the wire?

Mr. McCREA: The life of the wire is 12 days as against 5 weeks. The reason for the shorter life of the wire given by the manufacturer is that he cannot get the material. I presume also that he was forced by over production.

Sir THOMAS WHITE: Does my hon. friend produce, or buy, sulphite?

Mr. McCREA: We buy sulphite.

Sir THOMAS WHITE: Then sulphite enters into your cost?

Mr. McCREA: We make sulphite, but sulphite does not go into newsprint. The sulphite we buy. All the other items have increased in the same proportion. You ask me how it is that we cannot make money now that the price has been increased from 2 cents to 2½ cents a pound, or $10 a ton? My reply is that $10 a ton does not begin to meet the additional cost of raw material. Pulp wood alone is selling at twice what it sold for a year ago.

Mr. EDWARDS: How much do you save by your improved methods?

Mr. McCREA: We have got it down as low as it can be got by improved methods. Take the case of the International, the largest industry on the continent, having some 30 odd mills; that company has been reorganized two or three times in the last ten years. It had not paid a dividend on its preferred stock up to the time that the increased prices came after the beginning of the war and when the increased prices caused by the war took place it was owing almost an amount equal to 50 per cent of its preferred stock in interest on its preferred stock. The minister said this afternoon that 7 per cent was a fair rate of interest to make on your investment. I agree with him. But, how many factories and industries are there in the country which, during the past ten years, have been obliged to pass their dividends? If it happens now that we are making large profits, if you like, what about the years when we made no profits at all? What about the years when the industries of this country were not able to pay divi-

dends on their preferred stock to say nothing about their common stock? What about the years to come when our industries will probably be very badly crippled?

Sir THOMAS WHITE: Supposing we had applied the English method, what would have happened to the pulp and paper industry?

Mr. McCREA: I am not advocating applying the English method.

Sir THOMAS WHITE: The English method is to take the average profits of the three years before the war, and then take 80 per cent of the excess profits over that in time of war.

Mr. McCREA: I am not advocating the English method; I am advocating a common sense method which will apply to everybody equally and alike and under which the rich man will pay according to his means and the poor man will pay also according to his. If you apply that method I am satisfied the people of Canada will be better pleased than they are now. I do not believe there are any people in the country who want to be slackers with regard to paying their fair and legitimate share of the expense of winning this war, rich and poor alike. But, let me finish this question of newsprint. The price of flour to-day is $16 a barrel, wheat $3 a bushel, potatoes $3 to $4 a bushel and pork 17 to 18 cents live weight. Then, take half fat cattle; I saw some sold a short while ago. A farmer drove in a bunch of ten steers weighing about 1,050 apiece and he got $1,150 for the lot or 11 cents a pound live weight. The price of potatoes should only be 75 cents a bushel at the outside; to-day they are $3 to $3.50 a bushel. The price of wheat should not be over 90 cents to $1 a bushel; to-day it is $3 a bushel. The price of flour is $16 a barrel. The minister says that the press of the country must be sustained because it is one of the necessities. If a poor man has a big family and they are crying for bread will they be satisfied with the evening paper? Does it not appeal to the minister that there are other things as well as newsprint that ought to be regulated? The minister says that the winning of the war is the one and the main thing to which we should give our attention but I cannot help thinking that when this delegation from the press came down with their stocking full of printers' ink and told him that they would knock his political head off if he did not listen to them he said: hold on, gentlemen, I do not want to be disfigured that way, I will listen to you; what will you have—paper at 2½ cents a pound?—all right, gentlemen, you shall have it; the manufacturer can squeal all he likes but he has got no printers' ink and he cannot hurt me very much with his tongue. I am sorry to believe these things but I leave it to the judgment of the House and the people of the country to say if there is any just reason why the price of newsprint should be fixed at 2½ cents a pound, which is one cent less than it can be made for when other branches of business are left untouched. I noticed a short time ago in the Financial Times that a company making sulphite pulp were describing the profits they had made during the last year when the average price was so much; they stated what they expected to make next year when the average price was going to be so much and they ended up by saying that "our business is not affected by the price fixed for newsprint." Why should this condition exist? Why should this one branch of the industry be left so that they could boast that they could make such large profits because they were not affected by what affected another branch of the same industry? I am not jealous of other people. I wish I could say for the minister and for the Government that they had treated the manufacturers of newsprint as they treated other branches of the industry. I think it would be to the advantage of the Government and for the publishers if that were the case. The publishers are going to suffer for it later on, because they have prevented the construction of additional plants which would have afforded the only remedy for their complaint. If they had patience for about twelve months from the time they started to make the kick, the position would have rectified itself, as there would have been such competition that they could have again dictated the prices as they had done for the past ten years. Simply because we reached a period where for a few months they had to pay an additional price, they had not the foresight to see what would happen in the future. They made their kick at the wrong time, and will be sorry for it later on. The American publishers are sorry for it now. They started to fix the price, but they saw where they were going, and thought it best to wait and see what would happen. The Canadian Government would do well, even at this late hour, to change their position, and say to the publishers: Let supply and demand govern these things, it is the best regulator

of prices on the face of the earth. And the minister would be wise to consider well before imposing additional war taxes on the manufacturers of this country, and see if he cannot find some other way of levying taxes so as not to drive capital away and prevent its investment in Canada. We who are here will stand it as best we can, but the man outside will do as the man to whom you are trying to sell bonds, who will not buy bonds unless he has some assurance that the bonds will not be loaded down with income tax. The same thing applies to the man with money in his pocket; he will not invest in a plant in this country unless he has some assurance that it will not be singled out and made to bear the whole burden of the war and other expenses of this country, while other men, equally able to pay, go scot free.

Progress reported.

On motion of Mr. Thomas White, the House adjourned at 10.55 o'clock p.m.

Wednesday, May 16, 1917.

The House met at Three o'clock, the Speaker in the Chair.

THE NEW MACE.

VOTE OF THANKS TO THE LORD MAYOR AND SHERIFFS OF LONDON.

Rt. Hon. Sir ROBERT BORDEN (Prime Minister): I beg to move, seconded by Sir Wilfrid Laurier:

That this House do accept the Mace presented in 1916 by Colonel the Rt. Hon. Sir Charles Cheers Wakefield, then Lord Mayor of London, and by Sir George Alexander Touche, M.P., and Sir Samuel George Shead, then Sheriffs of London, and that the warm thanks of the House be conveyed by Mr. Speaker to the donors.

The House will remember that shortly after the fire which destroyed the Parliament Buildings we were in receipt of a communication from the then Lord Mayor and the Sheriffs of London in which they asked to be permitted to present a mace to this House to take the place of that which unfortunately had been destroyed in the fire. I consulted with my right hon. friend (Sir Wilfrid Laurier) at that time, and we agreed that the offer should be accepted. The mace has been prepared by the Goldsmiths and Silversmiths Company, Ltd., and during my recent visit to England it was presented to me in order that I might transmit it to Mr. Speaker and obtain the formal assent of the House to its acceptance. The mace is now on the Table, and hon. gentlemen have had an opportunity of examining it. I am sure they will all agree that it is a very beautiful piece of workmanship, and that the warm thanks of the House are due to Sir Charles Wakefield, Sir George Touche, and Sir Samuel Shead for their generous gift. This gift and its acceptance form a new link of association between the Parliament of Canada and the great city at the heart of our Empire.

I might perhaps with advantage place on Hansard a description of the design of the mace, which has been prepared by the Goldsmiths and Silversmiths Company:

The general design of the Mace is on similar lines to that used in the English House of Commons. The vase shaped head is divided into four panels by female figures with acanthus leaf terminals. These panels contain the following beautifully embossed emblems. The Arms of the Dominion of Canada, the Rose for England, the Harp for Ireland, and the Thistle for Scotland; above each emblem is the Royal Crown and the initials G. R. are placed on either side. In the spaces above the figures is shown the Beaver executed in bold relief. The Head of the Mace is supported by four ornamental brackets and is surmounted by the Royal Crown, indicating the Royal Authority; beneath the arches where the cushion is usually placed, there is a raised circular space on which appears in relief the full blazon of the Royal Arms of Great Britain and Ireland. The Staff is divided at intervals by two spiral fluted knops, and the whole length is richly chased with the Rose, Shamrock, Thistle and the Maple Leaf. The massive foot of the Staff is decorated with Roses, Thistles and Fleur-de-lys, the plain space above bearing the following inscription:—

'This Mace replacing the original Mace of the House of Commons of the Dominion of Canada, destroyed by fire on February 17th, 1916, was presented by Colonel the Rt. Hon. Sir Charles Cheers Wakefield, Lord Mayor of London, and the Sheriffs of London, George Alexander Touche, Esq., M.P., and Samuel George Shead, Esq., June, 1916.'

In its design and execution the Mace forms an emblem of authority well worthy of the great country for which it is intended.

It will be observed that the date of the destruction of the Parliament Buildings is incorrectly stated in the inscription. I am at a loss to know how this mistake could have occurred, but I have no doubt it can be easily rectified. The Lord Mayor of London placed the Council Chamber of the Guild Hall at the disposal of the donors for the purpose of presenting the mace, and he himself attended and presided over the ceremony. Each of the donors spoke and their expressions of goodwill to this country and of appreciation of the part which Canada is taking in the great struggle in which we are now engaged were all that any of us could desire. I am sure there will be a perfect unanimity of feeling in

the House in assenting to this resolution, and I trust that Mr. Speaker will convey in fitting terms to the donors the appreciation and thanks of the House, together with a copy of the resolution which I am now proposing.

Right hon. Sir WILFRID LAURIER: On Friday, we shall know exactly what my right hon. friend (Sir Robert Borden) has brought back from his visit to England. Yet even to-day we see and must acknowledge that he has not come back empty-handed, but on the contrary he has brought in this mace a very substantial evidence of the work he has accomplished on the other side of the water. This emblem and its presentation are evidences of our connection and growing relations with the Motherland. For my part, though I am a democrat to the hilt, I certainly appreciate all these evidences of our parliamentary history as it has come down to us through the ages. All these symbols and ceremonies have their uses. It may be that when a new member comes to this House, he may think it somewhat archaic when he sees the sergeant-at-arms with the mace preceding the Speaker, but when he becomes better acquainted with Parliament, he finds that each of these customs has its significance. One of England's historic personages called the mace a "bauble," and ordered it out of the Commons, but its restoration signified the restoration to England of constitutional government as it exists to-day. Parliamentary government has come from England to Canada, and this gift to us is an emblem of those parliamentary institutions which are so highly prized, especially now that we are under fire in the present world war.

Motion agreed to.

QUESTIONS.

(Questions answered orally are indicated by an asterisk).

WHITEHEAD, N.S. LIFE SAVING STATION.

Mr. SINCLAIR:

1. Who is in charge of the Life Saving Station at Whitehead, N.S.?
2. What are the names of the crew and the coxswain?
3. Was the lifeboat in commission during the whole of the past year?
4. Was the lifeboat at that station out of commission at the time of the wreck of the dredge Cape Breton?
5. If so, who was responsible for it being out of commission?
6. What was the expenditure in connection with the lifesaving station at Whitehead during the year 1916?

Mr. HAZEN:

1. John Phalen.
2. Coxswain, John Phalen. Crew, Samel Duncan, Levi McDuff, David Duncan, Albert Uloth, Canon H. Feltmate, Adam Fitzgerald. The above men comprised the staff during 1916.
3. Up to December 16th, 1916, when it was damaged.
4. The season being so far advanced when the lifeboat was damaged, and navigation being practically over, it was not practicable to have a new boat built and installed at Whitehead in time to be of any use in the current year. A search of the records of the station back to 1910 shews that the boat was not called out for the purpose of saving life during that time.
5. Answered by No. 4.
6. $311.11.

AUDITOR GENERAL'S REPORT, FRENCH EDITION.

Mr. DEMERS:

1. At what time was the English edition of the Auditor General's Report for the year ending March 31, 1916, ready for distribution?
2. At what time was the French edition of the same report ready for distribution?

Sir THOMAS WHITE:

1. April 19th, 1917.
2. The French edition of Volumes I. and III. of the Auditor General's Report for the year ended March 31st, 1916, was ready for distribution on May 5th, 1917. Volumes II. and IV. in French are not yet ready for distribution.

MR. HARVEY TURNER.

Mr. KYTE:

1. Was Harvey Turner of Jordan Falls, Shelburne County, N.S., appointed recruiting officer for R.C.N.V.S.?
2. If so, when was he so appointed and who recommended him for such appointment?
3. What qualifications did he possess for such appointment?
4. What rank was said Turner given?
5. (a) Was he attached to any ship? (b) If so, what ship?
6. How much was paid said Turner per day for his services as recruiting officer?
7. What amount, if any, was paid said Turner, respectively, for wages and expenses?
8. Were said Turner's services dispensed with?
9. If so, when and for what reason?
10. Is the Government aware as to whether or not the said Turner was induced to accept the position as such recruiting officer by representations made to him by Wendall H. Currie of Shelburne, president of the Shelburne County Conservative Association, and a defeated candidate at the provincial election in June, 1916?
11. Was said Currie authorized to make such representations to said Turner?
12. Is the Government aware as to whether or not said Turner while in the constituency of Shelburne-Queen's in his capacity of recruit-

ing officer made it a practice to say in public places that he was recruiting for Canada's Tinpot Navy?

13. How many recruits for the Navy were recruited as the result of Turner's appointment?

Mr. HAZEN:

1. Yes.

2. On 12th January, 1917, upon the recommendation of Mr. B. T. Graham, Naval Recruiting Secretary, Halifax, who stated that Turner was well qualified for recruiting service.

3. Answered by No. 2.

4. Recruiting Petty Officer.

5. (a) Yes; (b) H.M.C.S. "Niobe."

6. $2 per day.

7. Wages to 31st March, $158; travelling expenses, $45.87.

8. Yes.

9. Turner's services being utilized for recruiting only, he was no longer required after the 31st March, orders having been given to close the recruiting office at Halifax on that date.

10. No information in the Department of the Naval Service.

11. Not by the Department of the Naval Service.

12. No information in the Department of the Naval Service.

13. From the method of registering recruits at the various recruiting offices, it cannot be ascertained to what agency their entry is attributable.

GOVERNMENT STEAMER LAVAL.

*Mr. LEMIEUX:

1. Was the Government steamer Laval put in dry dock last year?

2. If so, what was the cost of the repairs undergone by the Laval when in dry dock?

3. Why was this steamer put in dry dock?

Mr. HAZEN:

1. Yes.

2. $13,550.17.

3. To repair damage to hull.

EDWARD LEVI BAUGH.

*Mr. MURPHY:

1. Is the Government aware as to whether or not one Edward Levi Baugh was convicted in the Court of General Sessions at Toronto, of conspiracy to defraud and of other offences in connection with the Colonel Stimson case, on the 14th February last?

2. If so, was he sentenced to a term of imprisonment and to what term?

3. If so sentenced, has the said Baugh been released from custody?

4. If so released, was the opinion of the (a) trial judge, (b) of the Crown or Police Authorities obtained as to the advisability of allowing his release, having regard to the serious character of the offence committed and the expenditure of large sums of money in obtaining his conviction?

[Mr. Kyte.]

5. Was any Medical opinion obtained as to his physical condition and from whom, and if from more than one physician, on what dates and what were the respective reports of each physician?

6. Has the said Baugh been released on parole and is he bound to report to the Police or to any other Authorities? If not, why not?

7. Was application made for his release? If so, by whom, and was it in writing? If in writing, will the correspondence be produced?

8. Has the said Baugh made restitution of any part of the sum out of which he was alleged to have been proved, upon two trials at Toronto, to have defrauded Colonel George A. Stimson?

9. Was any provision made for such restitution before his release and discharge was ordered, or has any undertaking been given by him to that effect?

10. Was the Minister of Justice personally consulted in the matter and did he order Baugh's release?

11. If not, who was acting as Minister of Justice at the time, and who was responsible for his release?

Mr. MEIGHEN:

1. Yes.

2. Five years.

3. Yes.

4. (a) Yes. (b) No.

6. Yes. Penitentiary surgeons. 7th March, 20th March, 5th April.

6. He was released on parole. No reports to the police.

7. Yes, by his mother, by letters. Letters will not be produced.

8. No information before the department.

9. Not to the knowledge of the Department.

10. No. The minister was absent at the time.

11. The Solicitor General.

PATENT MEDICINES.

*Mr. GAUVREAU:

1. Have the manufacturers of patent medicines petitioned the Department of Inland Revenue or the Government to prevent the introducing of the new Act, said to be under consideration, concerning patent medicines?

2. If so, what are the names and addresses of said parties?

Mr. SEVIGNY:

1. Yes, in the year 1912. The petition by the persons named below is dated Nov. 12, 1912.

2. David Watson, President Proprietary Articles Trade Assn., Montreal, Que.; J. Mattinson, The Canadian Wholesale Druggists Assn., Montreal, Que.; D. W. Bole, National Drug & Chemical Co. of Canada, Ltd., Montreal, Que.; Arthur Lyman, Lymans, Ltd., Montreal, Que.; Henry Miles, President, The Leeming Miles Co., Ltd., Montreal, Que.

LOWER ST. LAWRENCE SIGNALS AND TELEGRAPHS.

Mr. BOULAY:

1. In what year did the Marine Department take charge of the lower St. Lawrence Signal Service?

2. In what year, and by whom, was the authorization given for the payment of $500 per annum by the Department of Public Works to J. McWilliams, Father Point, for Supervision of the Signal Service?

3. At what office on the South Shore of the St. Lawrence are telegraph messages from Anticosti to Quebec transferred from the Government telegraph line to the Great North Western Telegraph Company?

4. Has J. McWilliams, Great North Western Telegraph Agent at Father Point, any position in the Government Telegraph Service? If so, what are his duties?

Mr. HAZEN:

1. 1882.

2. In 1902, Parliament granted the sum of $500 under vote 269, page 82 of Estimates for "Land and cable telegraph lines, Gulf of St. Lawrence, etc. Special operator at Father Point, etc."

3 Transfer is made at Gaspé.

4. The Government telegraph has no wires on the south shore of the St. Lawrence; the work in connection with the shipping and signal service, which is mainly on that side of the river, is performed on the lines of the G. N. W. Telegraph Co., and the Government, to secure efficient service, makes an allowance towards the maintenance of the Father Point telegraph station which is the most important one on the river. This allowance is $500 a year and has been paid since 1902 to the company's agent, Mr. J. McWilliams.

PARCELS TO SOLDIERS OVERSEAS.

*Mr. LEMIEUX:

1. What are the postal rates on parcels addressed to soldiers overseas?

2. Have any requests been made to the Post Office Department or to the Government with a view to materially reduce such rates?

3. If so, has the Government arrived at any decision in the matter?

Mr. PATENAUDE:

1. Parcels addressed to members of our troops in France are subject to the following rates: For parcels weighing up to three pounds, 24 cents; for parcels weighing over three pounds and not more than seven pounds, 32 cents. The limit of weight is restricted to seven pounds. On parcels for our troops in England, the rate is twelve cents per pound. The limit of weight is twelve pounds.

2. Yes.

3. Yes.

CUSTOMS OFFICES, BONAVENTURE COUNTY.

Mr. MARCIL:

1. Who is the Collector of Customs in Bonaventure County, Quebec, what is his salary, and is it the same as upon appointment?

2. Are there any preventive officers in that constituency?

3. If so, who are they, and what are their respective salaries?

4. Have any reports been received from such preventive officers showing the work done by them?

5. Are their salaries the same as upon appointment?

Mr. REID:

1. Edmund W. LeGallais is collector of Customs at Paspebiac in the County of Bonaventure, first employed Sept. 15, 1913. His salary is $1,050, the same as upon appointment.

2. Yes.

3. Jos Beaudin at Carleton, salary $150 per annum; Thos. Enright, at Port Daniel, salary $150 per annum; H. D. L. McKenzie, at New Richmond, salary $900 per annum.

4. Yes.

5. Yes.

MR. JOHN F. DAGNEAU.

Mr. MARCIL:

1. (a) What is the salary of John F. Dagneau, of St. Omer, Quebec, Inspector of Weights and Measures, and (b) what was his salary when first appointed?

2. What amounts have been paid him annually for travelling expenses, since his appointment?

3. Is the same John F. Dagneau, Postmaster of Robitaille, Quebec?

4. If so, was permission granted him to hold the two positions?

5. When was he appointed Postmaster at Robitaille, Quebec, and whom did he succeed?

6. What amounts have been paid said Dagneau, yearly, since his appointment?

Mr. SEVIGNY:

1. J. T. Dagneau, assistant inspector, of weights and measures; (a) $450 per annum; (b) $450 per annum.

2. Nil.

3. There is a John T. Dagneau, postmaster at Robitaille, but the department has no means of knowing whether he is the same person who acts as inspector of weights and measures.

4. No information.

5. John T. Dagneau was appointed postmaster at Robitaille on the 26th February, 1912, and succeeded Mr. Edouard Quinn.

6. The amounts paid to the said John T. Dagneau are as follows:

To 31st March,

1913	$167.95
1914	145.90
1915	154.32
1916	229.76
1917	193.11

GREEN APPLES, IMPORTATION.

Mr. DOUGLAS:

What was the total amount of duty collected from the importation of green apples into Canada from the United States during the year ending March 31, 1917?

Mr. REID:

$250,155.90.

Mr. DOUGLAS:

What was the total amount of duty collected on green apples imported into Canada from the United States at the Port of Calgary and Edmonton, respectively, during the year ending March 31, 1917?

Mr. REID:

Calgary, $17,373.60; Edmonton, $20,038.90.

MR. JOHN COX: MR. ANDREW SPENCE.

Mr. PROULX:

1. What position does John Cox hold in the Customs Office at Windsor, N.S.?
2. What is his salary?
3. Has he been given the place formerly held by Andrew Spence?
4. What position is now held by Andrew Spence?
5. What is said Spence's salary?

Mr. REID:

1. Preventive Officer and general work in the Long Room.
2. $850 per annum.
3. Mr. Cox has been assigned to duties which were at one time performed by Mr. Spence
4. Preventive Officer, Acting Landing Waiter and Customs clerical work.
5. $950 per annum.

MR. GEORGE H. BOYCE.

Mr. PROULX:

1. What position in the Public Service is filled by George H. Boyce of Windsor, N.S.?
2. What was the date of his appointment?
3. What reports, if any, have been made by him?
4. Has any allowances for expenses been made to him? If so, how much?
5. What is his salary?

Mr. REID:

1. General foreman, District Engineer's office, Halifax.
2. 5th June, 1913.
3. He reports to the District Engineer at Halifax, N.S.
4. Travel and outlay only for which vouchers are certified by the District Engineer before payments were made, as follows: 1914, $484.90; 1915, $716.27; 1916, $989.65; 1917, $945.15; total, $3,135.97.
5. $100 a month.

Mr. R. J. SALTER.

Mr. PROULX:

1. What salary is paid R. J. Salter, of Brooklyn, Hants county, N.S., as Overseer of Fisheries?
2. What amount has been paid to said Salter for expenses in each year since his appointment?

Mr. HAZEN:

1. Seventy-five dollars per annum.
2. Disbursements: 1914-15, $310.50; 1915-16, $464.31; 1916-17, $497.78; total, $1,272.59.

LIEUT. COL. H. B. TREMAINE. M. P.

Mr. PROULX:

1. Has any amount been paid the members of the family of Lieutenant-Colonel H. B. Tremaine?
2. If so, when, and for what period?
3. What is the total amount?
4. Were any payments or allowances made to Lieutenant-Colonel Tremaine while the 112th Battalion was being recruited?
5. If so, what amounts were so paid?

Sir EDWARD KEMP:

1. Yes. Separation allowance to wife.
2. Sixty dollars per month from November 3, 1915, to April 30, 1917.
3. One thousand and seventy-six dollars.
4. Yes. Pay and allowance of a lieutenant-colonel, C.E.F.
5. Two thousand five hundred and seventy-five dollars and twenty-five cents.

STEAMSHIP RAINBOW.

Mr. SINCLAIR:

1. Has the steamship Rainbow been dismantled, and put out of commission?
2. If so, when and why?

Mr. HAZEN:

1. It is not considered advisable to publish any information with reference to movements and operation of H. M. C. ships.
2. Answered by No. 1.

Mr. W. H. NICKERSON.

Mr. SINCLAIR:

1. Was W. H. Nickerson, Superintendent of Life-saving Stations, dismissed?
2. If so, when and for what reasons?
3. Was there an investigation? If so, by whom?
4. Who was appointed as his successor, and on whose recommendation?
5. What salary was paid to M. H. Nickerson, and what salary does his successor receive?

Mr. HAZEN:

1. Yes.

2. By letter from the Department of the Naval Service, dated August 28, 1916, upon representations by the officers of the department that the work could be performed by the officers of the Fisheries Protection Service.

3. No investigation was held.

4. The office of inspector of life saving stations was abolished, the work being performed by the officers of the Fisheries Protection Service.

5. Eighty-five dollars per month paid to M. H. Nickerson.

"DEFEAT OR VICTORY."

* Mr. LEMIEUX:

1. Has "Defeat or Victory," a book published by Arthur Free and J. Stewart Holden, of England, been prohibited?

2. If so, why?

Mr. PATENAUDE:

1. No.

2. Answered by No. 1.

SEED POTATOES AND BEANS.

Mr. TURRIFF:

As it appears the farmers in many parts of Ontario are having difficulty in securing potatoes and beans for seed, does the Government intend to take any action towards assisting farmers to secure the necessary seed and enable a large acreage to be cropped this season that otherwise would have to go idle?

Mr. BURRELL:

The province of Ontario, Department of Agriculture, intimated to the Federal Department early in March their intention to take care of the seed potato situation within the province. They report having purchased and distributed substantial quantities of seed potatoes and are still attending to the demands.

The Department of Agriculture has completed arrangements whereby a quantity of seed beans, sufficient to take care of the estimated demand, will be available for that purpose. The department has secured the co-operation of the large canning companies who hold considerable quantities of beans, but who recognize the desirability of planting a large acreage this year.

SHIPMENT OF STEEL RAILS TO FRANCE.

Mr. OLIVER:

1. How many tons of steel rails taken from sidings on the Transcontinental Railway have been shipped from Canadian Ports to France, to date?

2. Between what points on the Grand Trunk Pacific west of Edmonton is it proposed to remove the rails for shipment to France?

3. When is the proposed removal of rails above mentioned to begin?

4. Is the Government aware that there are several hundred miles of double track on the Canadian Pacific Railway main line from Fort William east?

5. Is the Government aware that from Parry Sound to within a few miles of Sudbury, Ont., the Canadian Pacific and Canadian Northern railway lines closely parallel each other for a distance of one hundred miles through an entirely unproductive country?

6. Is the Government aware that from Kamloops, B.C., to Yale, B.C., a distance of one hundred and forty miles, the Canadian Northern Railway closely parallels the Canadian Pacific Railway along the Thompson and Fraser Rivers, through a territory furnishing a minimum of local traffic?

7. Is the Government aware that the traffic upon the Grand Trunk Pacific Railway west of Edmonton is much heavier than on the Transcontinental Railway from Lévis, Quebec, to Moncton, N.B.?

Mr. COCHRANE:

1. It is not in the public interest that this question should be answered.

2. Between Imrie, on the east, and Resplendent, on the west. The whole of the tracks in this district will not be moved, but the tracks will be moved to the full extent possible, having regard to the requirements of the district.

3. Just as soon as possible, having regard to the character of the work, the issuing of the necessary supplemental Orders in Council and the necessities of providing for the requirements of the district.

4. Yes. The rail, however, is not interchangeable with Transcontinental rail already shipped, and does not meet the requirements of the military authorities. Over and above this, the Government is also aware of the fact that last winter traffic congestion on the Canadian Pacific east of Fort William was severe and the capacity of the railway, double-tracked as it is, taxed. The Government is also aware of the fact that service on the Grand Trunk Pacific and the Canadian Northern to Yellowhead Pass is very light, and that the whole traffic can easily be accommodated by one line.

5. There is an unfortunate duplication. It is also true that, to some extent, the territory is unproductive, although not wholly so. The rails that might here be available again do not meet the military requirements, and traffic conditions in Ontario last winter, speaking generally, were much congested.

6. Yes. The rails that might be here available again do not meet military requirements.

7. No. While the contrary may well be the fact in normal times, owing to war necessities and the movement of troops, munitions and supplies, the Intercolonial

has been overtaxed and the Transcontinental railway is to a much greater extent than the Grand Trunk Pacific line west of Edmonton.

SALARIES OF LETTER CARRIERS.

Mr. MEDERIC MARTIN:

Is it the intention of the Government to increase the salaries of the letter carriers during the present session?

Mr. PATENAUDE: The question of increases to letter carriers and other members of the Civil Service is under the consideration of the Government.

Mr. BUCHANAN:

1. Has the Government received any request from the letter carriers of Canada for an increase in salary?
2. When was an increase last granted to the letter carriers of Canada?
3. What was the average salary, maximum and minimum, of letter carriers in Canada during the years 1911 up to the present time?
4. Is it the intention of the Government to grant an increase to the letter carriers, to meet the present increase in the cost of living?

Mr. PATENAUDE:

1. Yes.
2. April 1, 1913.
3. For the year 1911 and up to April, 1913 the minimum was $1.75 a day, with an increase of 25 cents a day at the end of a probationary period of three months and an increase of 25 cents a day every two years thereafter until the maximum of $2.75 a day was reached. On April 1, 1913, the minimum was raised to $2 and the maximum to $3 a day, with an increase of 25 cents a day each year.
4. It is under consideration.

OTTAWA BRANCH OF ROYAL MINT.

Mr. TRUAX:

Referring to item in Auditor General's Report, F—41 "Ottawa Branch of Royal Mint," $123,000. (Salaries and Maintenance).

1. Does the Canadian or Imperial Government pay this amount?
2. If the former, where can the items be found?
3. Who has the appointing or recommending of employees to the Mint, (a) to the clerical and technical staff, and (b) to the labourers' and helpers' staff?
4. Is there an employee named Snyder?
5. If so, was he recommended by the Minister of Finance?
6. What was the occupation of said Snyder before his appointment?
7. If the department concerned has no information on this point, will it endeavour to obtain same?

Sir THOMAS WHITE:

1 and 2. The amount is expended by the Imperial Government, but provided under statute by the Canadian Government.

3. Appointment made under Mint regulations.

4. There is an employee named Albert Snider.

5 No.

6 and 7. No information.

HOPETOWN POST OFFICE.

Mr. MARCIL:

Concerning the mail service at Hopetown, Quebec, and the answer made by the Acting Postmaster General, recorded in Hansard of May 2nd, as follows:—

"The original contract, which provided for a semi-daily service between Pasbebiac and railway station and for a daily service between Paspebiac and Hopetown, was entered into at the rate of $260 per annum, but, owing to the fact that one train per day which carried mail to Paspebiac was cut off, the service between Paspebiac and railway station was reduced to six trips per week, and a corresponding reduction was made in the rate of payment to the contractor, thereby bringing the present amount paid him to $208 per annum. The contract was awarded on April 12, 1915?"

1. Is there now a double daily service by the Matapedia and Gaspé railway to that post office?
2. If so, does the Post Office Department intend to re-establish the double daily service at that office? If not, why?

Mr. PATENAUDE:

1. No.

2. The question of a semi-daily service to Hopetown has not been under consideration.

REMOVAL OF RAILS TO FRANCE.

GRAND TRUNK PACIFIC AND TRANSCONTINENTAL RAILWAYS.

Mr. OLIVER:

1. Is the Government aware as to whether or not the Grand Trunk Pacific Railway west of Edmonton is more substantially constructed and with less curvature and less variation of level and has cost more to build than the parallel Canadian Northern Railway?
2. If so, why has the Government authorized the dismantling of the more expensive and better constructed railway of the two above mentioned?

Mr. COCHRANE:

1 and 2. The reasons for the Government's action in this matter are set out in a letter from the Chairman of the Railway Commission, as follows:

BOARD OF RAILWAY COMMISSIONERS FOR CANADA.

Ottawa, May 7th, 1917.

Dear Sir:—

I have your letter of to-day's date raising the question as to why the rails of the Canadian Northern through the Yellowhead Pass be not taken up in place of the rails of the Grand Trunk Pacific.

While I admit that the Canadian Northern construction through the Yellowhead Pass is of a high order and with low grades, nevertheless, they have a sub-summit on their track. This the Grand Trunk Pacific has not. The Grand Trunk Pacific, of course, are subject to a considerable operating expense in removing sand from their tracks which regularly blows over them when the water in the river is low. The Canadian Northern is not subject to this disability, which, according to the Grand Trunk Pacific, entails an extra cost of some $25,000 a year for maintenance.

Bearing in mind, not only the character of the Canadian Northern track, but also the disability the Grand Trunk Pacific suffers from, owing to the sand, in my view there is no doubt but that the Grand Trunk Pacific is the better line of the two.

I have gone carefully into the matter of train resistance and economies of operation; and there is no doubt that, on the economic ground, the Canadian Northern rails should be lifted instead of the Grand Trunk Pacific. The difficulty is that I am unable to make any recommendation from a purely economic standpoint. Indeed, from this standpoint, no rails whatever ought to be lifted and transferred to France from the Yellowhead. The long railway haul itself and the use of railway equipment would forbid any such action on economic grounds. Further, this country is itself in need of rails, and when unnecessary duplications are removed, they can be usefully used in the Prairie sections which are to-day in need of railway construction.

The difficulty is that the question cannot be so approached. Canada, having acceded to the request of the Imperial Government to supply rails urgently required for military purposes in France, it became the duty of the country to supply these rails with as little cost as possible to the Imperial Government. This, of course, meant lifting rails in eastern territory, so as to reduce the cost of the railway haul, and also lifting rails where the least damage would be occasioned, not only to the public, but also to the companies owning and operating them, not only in the interests of the companies, but also in the interests of the Imperial Government, who would be expected to recompense the companies, not only for their rails, but also for the damages which the companies suffered.

The first request of the Imperial Government was finally confined to 300 miles of track. This amount the management of the Government railways were able to furnish, and at the same time carry on the business of the line. The rails of the Government lines fulfilled the requirements of the Imperial Government; they were in eastern territory; and, speaking generally, did not necessitate a long penalizing rail haul. The rails could also be lifted without creating liability for damages.

The Imperial Government required rails of a high class. Fortunately the rails of the Transcontinental answered in every respect. The Imperial authorities also required absolute standardization, owing to the fact that the laying of the rails in France would, in many instances, require the greatest despatch, and be laid under conditions of danger and often at night.

Their request for an additional 300 miles of track, to which request, as I understand it, the Government has acceded, requires that the additional supply of rail should be similar in all respects to the rail already supplied.

While the rail of the Canadian Northern through the Yellowhead is of the required type and weight, unfortunately the engineers of the different lines in their specifications have for reasons best known to themselves, bored the rails used by their respective companies at different points. This requires, of course, different angle-bars, and does not permit the different lengths being interchangeable, as I am informed for military reasons is necessary.

As personally I would somewhat sooner lift the Canadian Northern than the Grand Trunk Pacific rails, the question of re-boring, practically slotting, the Canadian Northern rails has been looked into. I am advised that this is impracticable, owing to the weakening of the rail. The matter was looked into by one of the engineers of your department, and Major Bell so reports; and Mr. Fitzgerald, of the Imperial Munitions Board, with whom I took this matter up, gives me the same advice.

Under the circumstances, I can only advise the removal of the Grand Trunk Pacific rails, interchangeable as they are with the rails already supplied by the National Transcontinental.

In my view, the proper final solution in the Yellowhead is, however, the retention of the Grand Trunk Pacific right-of-way rather than the Canadian Northern, and that the rails of the Canadian Northern, if these companies are in future to run in joint operation, should be placed on the Grand Trunk Pacific right-of-way.

The Grand Trunk Pacific rails ought to be lifted with care, so as to not injure the roadbed, and the sleepers should be left as they are at present embedded in it, so that other rails, may be there again laid with a maximum of expense.

Yours faithfully,

(Sgd.) H. L. Drayton,
Chief Commissioner.

The Honourable the Minister of Railways and Canals, Ottawa, Ont.

Mr. OLIVER:

1. What payments or allowances are to be made to the Grand Trunk Pacific Railway Company for (a) rails taken or to be taken from their tracks west of Edmonton for use in France; (b) for loss occasioned by any destruction of ties that may occur consequent upon the removal of rails; and (c) for deterioration, if any, of grade, culvert, bridges or buildings consequent upon such removal of rails?

2. What would be the cost of new rails as compared with the total cost and damage, if any, resulting to the railway company for removal of tracks as authorized by Order in Council P.C. 1183 of April 28, 1917?

Mr. COCHRANE:

1. Compensation will be made to the company under the provisions of the War Measures Act.

2. The cost of new rails will be less. The necessity for an immediate supply of rails on the continent is urgent and cannot await their manufacture. Rail mills also are not in a position to accept contracts; their equipment has been changed in order to manu-

facture steel for munitions. Orders cannot be obtained for immediate delivery of rails from American steel mills any more than from Canadian steel mills. The munition requirements of both countries exhausted the supply of steel available.

Mr. OLIVER:

Referring to the Order in Council of the 28th of April, P.C. 1183, laid on the Table of the House on the 10th day of May, authorizing the granting of three hundred miles of rails for use in France in connection with the war.

1. Is the Government aware as to whether or not damage will be by such action occasioned to property and business of private individuals dependent on the operation of the Grand Trunk Pacific Railway west of Edmonton?

2. If so, by what means will the amount of damage be defined and who will pay the same?

Mr. COCHRANE:

1. The Government has taken all steps possible to minimize all damage occasioned to property and the business of private individuals. It is not thought that much, if any, such damage will arise; but in view of the national necessity such considerations can not be considered—the country is at war.

2. By the Exchequer Court, and the provisions of the War Measures Act.

INTERCOLONIAL RAILWAY PENSION FUND.

*Mr. GAUVREAU:

1. Is it the intention of the Honourable Minister of Railways and Canals to have the medical examination for pension funds on the I.C.R. performed by a physician from Fraserville, for that portion of the railway which extends in the Province of Quebec, instead of sending the employees to be examined by an English physician of Montreal?

2. If not, why?

Mr. COCHRANE:

1. It is the intention to have a physician to perform medical examinations for pension funds appointed from some point along that section of the Intercolonial railway in the province of Quebec.

2. Answered by No. 1.

NON-RESIDENTS ENLISTING IN CANADA.

Mr. SEGUIN:

What is the number of non-residents who have specially come to Canada in order to enlist here and thus derive the benefit of higher pay, and to what nationality do they belong?

Sir EDWARD KEMP: There is no information on this subject in the Department of Militia.

[Mr. Cochrane.]

WEST EDMONTON—FOREST RANGERS AND HOMESTEAD INSPECTORS.

Mr. CARVELL:

1. How many forest rangers are employed in the Federal Constituency of West Edmonton?

2. How many homestead inspectors are employed in the Federal Constituency of West Edmonton?

Mr. ROCHE:

1. Twenty-seven.

2. Five.

JASPER PARK—DOMINION GOVERNMENT EMPLOYEES.

Mr. McKENZIE:

1. How many employees has the Dominion Government in Jasper Park?

2. In what capacity are said employees?

3. What are their respective salaries?

Mr. ROCHE:

1. Of the following, six are not at present on duty, having enlisted for overseas service.

2 and 3. Superintendent, $200 per month, at present on military leave without pay. Engineer and acting superintendent, $200 per month. Clerk, $100 per month. Two stenographers, $75 per month each, both have enlisted and are on duty. One stenographer, $65 per month. Storekeeper, $75 per month. Timekeeper, $75 per month, enlisted; leave without pay. Acting timekeeper, $75 per month. Instrument man, $80 per month, enlisted. Head office teamster, $80 per month. Stable foreman, $80 per month. Janitor, $65 per month. Chief fire and game warden, $125 per month. One permanent fire and game warden, $90 per month. Two permanent fire and game wardens, $85 per month each. Six permanent fire and game wardens, $80 per month; one has enlisted and is on military duty. Two temporary fire and game wardens, $80 per month each. A foreman on construction work has been engaged on special bridge work at $125 per month. It is anticipated that this work will be completed this month.

CUSTOMS DEPARTMENT MOTOR CAR.

Mr. PROULX:

Referring to the following item in the Auditor General's Report (D-54), Customs Expenditure, Hudson Six "54" Automobile, $3,250; freight on car to Ottawa, $61.42; tires, 6, $364.20, less $119.14 allowed on old tires; tubes 3, $36.40; black goat robes, 3, $88.00; coon coat for chauffeur, $62.50; raincoat, gloves and overalls, $23.25; clock, tool kit and bumper, $43.20; various parts and repairs to car, $69.72; unloading car at station, $7.95; charge for temporary drivers, $37.25; gasolene 442 gallons,

$119.72; oil and grease, $11.10; hauling car, $5.00; license for car, two years, $45.00; garage charges to March 31 at $10 per month, $89.— $4,186.07.

1. Who uses this car?
2. Is the chauffeur on the permanent pay-roll of the department?
3. What are his wages or salary?
4. Was the above a second hand car?
5. From whom was it purchased?

Mr. REID:

1. Minister of Customs and other customs officials on public business.
2. No.
3. $75 per month.
4. No.
5. Dominion Automobile Co., Ltd., Toronto.

SEED GRAIN IN WEST EDMONTON.

On the question:

Mr. J. J. HUGHES:

1. How much seed grain was purchased for distribution in the Federal Constituency of West Edmonton?
2. From whom was the grain purchased?
3. Who received the cheques?
4. At what price was it purchased?
5. At what price was it sold?
6. By whom was the grain distributed?

Mr. J. J. HUGHES: I did not ask this question, and I do not want to stand responsible for it, Mr. Speaker, and must ask to have it dropped.

Question dropped.

QUESTIONS PASSED AS ORDERS FOR RETURNS.

Mr. MACDONALD:

1. What was the additional amount which it cost the Post Office Department to provide rural mail delivery routes established in the year 1916-17, over and above what the service was performed for in the same localities in previous years?
2. How many additional rural mail delivery routes were established in the year 1916-17, and what is the annual cost of the same?

Mr. CARVELL:

1. Is the report that appeared in the Times of the 5th February, 1917, a paper published in Victoria, British Columbia, correct when it stated that a settlement had been arrived at between the miners of the Coal District Number 18 and the operators, whereby the men would receive an increase of wages amounting to approximately $1.75 per week each?
2. Did the Minister of Labour inform the operators that the Government would guarantee them to the amount of $1.75 per man per week from November 16, 1916, to February 15, 1917?
3. Did the Minister of Labour instruct the operators to increase the cost of their product on February 15, so as to provide for the payment of war bonus from that date to the 31st March, 1917?
4. Has any money been paid over by the Government to the operators under this arrangement?
5. If so, by which minister or through which department has the money been paid to the operators?
6. How much money has been paid over by the Government under this arrangement?
7. To whom has the money been paid?
8. What steps have been taken to secure the repayment of the money from the Railway Companies and large concerns referred to in the paragraph in the Times?
9. Were any conferences held previous to the 31st March, between the operators and the Miners' Union for the purpose of making a further permanent agreement?
10. If so, was a representative of the Government present at such conference?
11. Was any further arrangement arrived at?
12. If so, what are the particulars of the arrangement made?

WOMAN SUFFRAGE.

Mr. DONALD SUTHERLAND (South Oxford) moved:

That, in the opinion of this House, the question of extending the franchise to women should engage the attention of the Government at the present session.

He said: Mr. Speaker, in speaking on the motion now before the House, I desire to state that I have been very largely actuated by a consciousness of the need of a uniform Dominion Franchise Act for the whole of Canada. For many years past, the voters' lists of the various provinces have been used as the lists upon which the members of the House of Commons have been elected and they are so used at the present time. That a gradual evolution has taken place since the adoption of these lists is quite evident when you consider the uniformity that existed when the present Act was adopted about twenty years ago and contrast it with the wide disparity which now exists between the franchises of the various provinces. The troublous and trying times through which we are passing have doubtless had a good deal to do with the rapid change that has taken place in the sentiment of the people during the past few years. The present is, I may say, a testing time when the essential qualifications entitling a person to the full status of citizenship become apparent.

The motion before the House refers only to the extension of the franchise to the women of Canada. That this would be a somewhat radical step I am free to admit but we are living in an age when radical changes are taking place on every hand, when old traditions and conventions are being brushed aside, when despotism and democracy are being tested and tried, and

when we are called upon to exert every energy in the critical struggle in which we are now engaged. It is significant that the newer provinces of western Canada peopled with a young and virile population have blazed the way in the matter of extending the franchise to the women. In the province of British Columbia woman suffrage is now an assured fact. In the great provinces of Alberta, Saskatchewan and Manitoba the franchise has been extended to women. The legislature of the older province of Ontario at its last session adopted similar legislation. Today, from the Capital where we are at present assembled westward to the Pacific, the women of all the provinces exercise the full legal status of citizenship. Yet, from the Capital eastward to the Atlantic, that privilege or right has not as yet been conferred upon them. While it is undoubtedly the prerogative of the provinces to enact legislation regulating their municipal and provincial franchises, I feel it to be the duty of this House and of the Government to see that a uniform Franchise Act is adopted for the whole of Canada.

The whole of the people of Canada go to make up the state. The need of the state and the duties of citizenship were never more clear or well defined than at this hour. I would also embody such provision in the Elections Act as would safeguard the rights of the state and prevent any one who is not a loyal British subject from exercising the right to say how the affairs of this Dominion should be conducted. When you think of the people who have come from many of the European countries and settled in our midst, when you realize the cosmopolitan character of the population of Canada, some regulation, some safeguard, is necessary at this particular time with regard to the exercise of the rights of citizenship. I would also provide that no loyal British subjects should be debarred from the right of polling their votes in Canada and that is exactly what I have in mind in the introduction of this resolution.

While it may be true, and it undoubtedly is true, that many women do not desire to have the franchise extended to them, we cannot close our eyes to the fact that many women in Canada do desire to have this right conferred upon them. When you reflect that half the people of this Dominion arrogate to themselves the status of citizenship and deny that right to the other half, physically weaker but intellectually their equal, you cannot close your eyes to the fact that Prussian despotism

is not confined to Germany alone. Freedom and liberty are the watchwords of the hour. Deny to our women the right to be a participating factor in the affairs of our country and you are in duty bound to see that they have become wards of the state. The Indians of Canada have become wards of the state and have been disfranchised and an Indian Department has been established with the view of providing for their wants and requirements. The Indian is, in the eyes of the law, an infant, yet the Indian, by severing his tribal allegiance, can obtain the status of citizenship.

Our women are not wards of the State, nor yet are they the recipients of any favours or consideration that should bar them from receiving the rights which men have appropriated to themselves. It is true that Indians, women and children are the only classes in Canada who have not had conferred upon them the full legal status of citizenship. The Indian, by renouncing his tribal allegiance, can come into that state. The child, if a male, through the passing of time will eventually reach that condition where he becomes a full-fledged citizen of this country with a legal right to a voice in the affairs of state. It is only the women of Canada who are barred from reaching that condition. You cannot close your eyes to the heroic self-denial, the devoted services, that have been rendered by the women of this country to maintain our laws, and to uphold the traditions of our country, and the devoted services which they have rendered since the beginning of this war. While I say since the beginning of this war, the women of Canada have, since the earliest days of our history, devoted themselves to making Canada the country which it is to-day. I believe, though, that during the past few years the heroic services which have been rendered by them have broken down the prejudice which formerly existed against extending the franchise to them. I believe that their part in this war has established in the minds of every one a belief in their right to be a participating factor in the affairs of our country. It is surely a sad commentary on our discretion and judgment that we extend to the ignorant and illiterate foreigner, centuries behind us in moral and intellectual development, who comes to our country, concessions that are not given to all the people of Canada, and allow him to establish himself in any community, and, by a short residence among us and compliance with what is to him a very simple condition, give him the full

legal status of citizenship. And yet, in the face of that, we deny to these loyal, patriotic, God-fearing women of Canada equal consideration, when we deny them the consideration that has been given to those people who come here, who very often are not in sympathy with our laws or the traditions of our country. I say that it is a sorry reflection upon the people of this country that such a condition as that can exist, particularly at this time.

I could cite the examples of other countries in which the franchise has been extended to women, but I will not do so; I am going to confine my few remarks this afternoon to our own country. We know the conditions of our own country, and if we want a precedent, there is to my mind one country to which we are justified in looking for a precedent, that is the Mother Country. We find that the women of Great Britain have been promised the franchise by the Government of that country. The full extent of the franchise which is granted to them I do not as yet know; but we may rest assured that when Britain, the mother of parliaments, the champion of freedom and liberty, the champion of the weak, takes the part she is taking in granting to the women of that country the franchise, this is surely a precedent that we can well follow in the Dominion of Canada. I have already stated that the time of trial and stress through which we are passing has possibly made more clear to our minds the injustice which has been done to the women of this country by withholding from them the franchise. I would not for a moment argue that any special treatment should be given to them. But I do say that we must endeavour to see that a truly national spirit is cultivated and developed among the people of this country, and that the conditions under which we are living at the present time make it necessary for us to enact legislation which under ordinary conditions we would hesitate to enact. There are people living here within the borders of Canada but who have not yet become truly Canadianized. Natives of countries with whom we and our Allies are to-day contending are granted the franchise, and I believe some provision should be embodied in the Dominion Franchise Act to see that these people shall not have the opportunity of injuring or destroying in any way the work that is being done by the men who are waging battle for us at the front. I want to say further that when you think of the costly and immortal sacrifice that is being daily offered up on the altar of freedom, we must realize that we are called upon to look on these matters from a new viewpoint. We must realize that it is the duty of Parliament and of the Government to deal with these questions with a firm and strong hand. We must also realize that there are many homes in Canada whose bread winners have already given up their life blood for the cause of freedom, and that many more will do so. That being the case, there are and there will be many widows and female relations of those men here in Canada who will become responsible for the families of these men, it is just and right that these women should be enabled to exercise the franchise? Yet, under present conditions, they are barred from doing so. I say that justice, humanity and the best interests of society demand that our present Election Act shall be changed, and that provision shall be made so that our women shall have a voice and a fair share in the government of the country. Further than that, I also wish to say that, if some provinces of Canada lag behind in the matter of granting the franchise to the women of those provinces, it makes it all the more imperative on this Parliament and Government to see that equal justice is done to the women of all the provinces of Canada. The old system, under the present Election Act, of using the provincial voters' lists, is, under present conditions, an absolute impossibility, if we are to have equality and justice extended to the whole people of Canada. If, for none of the reasons which I have so feebly endeavoured to advance, or if the chivalrous instincts of every hon. gentleman in this House do not compel him to vote for the measure now before the House, let me say, if for none of these, then for very shame's sake let us remove the stigma and reproach of despotism from our escutcheon. Let us prove ourselves worthy of the compliment that was paid us by that great French statesman who was with us on Saturday last, M. Viviani, when he stated that the sons of Britain, wherever they go, bring emancipation and liberty with them. I beg leave to move the adoption of the resolution.

Mr. WILLIAM WRIGHT (Muskoka): Mr. Speaker, in rising to endorse the motion of the member for South Oxford (Mr. Sutherland), let me at the outset say that I am well aware that a great difference of opinion prevails among the male voters of Canada as to the wisdom of granting the

franchise to our momen. I am no new convert to the principle of allowing the ladies to have the vote. A proposal was made last year, and a similar proposal has been made during this session, that the women of certain provinces be given the right to vote. I am opposed to the idea of singling out a particular province that may have granted to its women the right of the franchise. I believe that the women of the whole of the Dominion are entitled to the franchise; more than that, I believe that they have always been entitled to it. I have been in public life for upwards of thirty years and, having given some thought and attention to this subject, I never could see the justice of men arrogating to themselves the sole right to vote.

What are the objections that are urged against granting women the franchise? We are told that the women should stay in the home. Well, I think that a little break in the monotony of the lives of our wives and mothers would not be any very great detriment to them, to the homes that they live in, or to the people with whom they work from day to day. When I think of the devotion to duty of our women; when I think of the wives of the labourers and the farmers, getting up betimes, even before the stars disappear, or working into the weary hours of night, I realize that they well deserve the franchise, and should always have had it.

We are told, too, that woman is the weaker vessel; that the men have to do the fighting. Well, since when have we adopted a system of avoirdupois in qualifying men to vote? Do we weigh them on the scale, measure the size of their biceps, wrists, ankles, fists, and so on, in order to determine whether they shall have a vote? If we did, where would the Minister of Trade and Commerce be? I am afraid that he would be entitled to only half a vote, and that the right hon. leader of the opposition would be entitled to only three-quarters of a vote. As to the Solicitor General—well, I would hardly like to say just what portion of a single vote he would be entitled to. My idea is that there are just as good brains in the heads of our women as there are in those of the men, and it does not make very much difference whether the head is covered by a creation from a millinery shop or whether the top piece was purchased in a gents' furnishing store. Among the thoughtful men of our country who have considered the question and who are animated by a spirit of fairness, there has been a willingness to grant to our women the right to vote. The only thing lacking, I think, has been the expression of a well-defined desire for it on the part of the ladies themselves. It is true that we have a number of women in this country who disclaim any desire to have a vote. Such women have not had the opportunity of cultivating any taste for exercising the franchise. How did the men learn political games; how did they learn to take part in politics? Simply by exercising their right to vote, and the same effect which resulted from the exercise of the franchise by men would follow from giving the vote to the ladies. They will think about these things; they will study them just as the men did, and bye-and-bye they will exercise the franchise with just as great a measure of intelligence.

I was in a house not very long ago in which the younger members of the family and the father were discussing the question of votes for women. The young men and the young women said: mother does not want to vote; she does not care anything about it. Well, when I thought of the poor mother and the opportunities she had had of studying this question, I came to the conclusion that it was not much wonder that mother had no taste for exercising the franchise. I do say that it would make a very desirable break in the usual routine of her life if she was allowed to exercise the franchise and was compelled to step out of the rut into which may years of hard work had placed her.

I believe in the equality of men and women. While a divine and beneficent Providence has not created them exactly alike, or intended that they should follow the same sphere of life, each has been given a work to do. With regard to the enactment and enforcement of laws which affect them so vitally, the women have just as much right to have a vote in public affairs as the men have.

Now, how can this be done? I believe it would be found necessary to have a Dominion-wide franchise. We ought to have a Dominion voters' list that would cover all parts of the country from the Atlantic to the Pacific. We are met with the objection that this would be expensive, that it would cost more than the present system. As one who has been connected with municipal life during a great many years, and who has a working knowledge of such matters as they affect the province of Ontario, I want to say that the present system costs just as much as the proposed system would cost.

I have had experience with voters' lists under both systems. The only difference would be that under a Dominion-wide franchise the expense of the compilation of a voters' list would fall upon the Dominion, whereas under the present system it falls upon the municipalities and upon those who are seeing that the lists are properly prepared. One system, then, is just as expensive as the other. One lamentable defect in connection with the compilation of the voters' list in the organized parts of the province from which I come is that, inasmuch as we usually hold our elections in the late summer, or in the fall, the voters' lists that we use are practically a year and a half old. A few years ago the late Mr. James Conmee, then member for Rainy River, introduced into this House a measure, which was duly passed, empowering the Dominion Government to compile the voters' lists.

So that we have in the part of the country in which I live, in some of the townships which are not yet organized, the anomaly of having the Government compile a voters' list, and that method seems to work out all right there. Frequent compilations appear a little unnecessary if two elections take place in close succession, but if they are a year apart there ought to be some method of getting the voters' list more up to date. In the back-woods of Ontario, in those townships that are not yet organized, the voters' lists are more up to date than in the organized parts of the country where many thousands of men, who have moved away or who have come of age after the assessment lists have been made out, are deprived of the right to vote. Some method, therefore, ought to be devised to bring the lists up to date so that when an election comes every one will have an opportunity of exercising the franchise. I think that can best be done by having a Franchise Act passed by this Parliament and the compilation of our voters' lists placed in the hands of some branch of the service.

The general trend of affairs has been towards extending the franchise to women. Every hon. member is aware that the storms that sweep over this country generally commence in the broad regions of the Pacific and move in an easterly direction, and this storm, if I may call it such, that has arisen has come from the far west and is sweeping eastward so that it will not be long before the ladies have the vote throughout the whole Dominion, and I think we should bring about that result by enactment of this House so that no stumbling block may be thrown in the path of this movement. British Columbia, Alberta, Saskatchewan, Manitoba and Ontario have passed legislation for votes for women. The suffrage has been extended to women in Australia, New Zealand, the Isle of Man, Finland, Norway, Denmark, Iceland, Yucatan, and the women have municipal suffrage on the same terms as men throughout the British Isles and in Sweden, and a certain measure of municipal franchise rights in some of the British possessions, such as the city of Belize, in British Honduras, Rangoon, Burmah, and Baroda and Bombay in British India. In the United States, the women possess the franchise on equal terms with men at all elections in Wyoming, since 1869; in Colorado, since 1893; in Utah, since 1896; in Idaho, since 1896; in Washington, since 1910; in California, since 1911; in Arizona, Kansas and Oregon since 1912, and in Nevada and Montana since 1914. In the year 1913, the Territorial Legislature of Alaska granted full suffrage to women. Under the state law of 1913 in Illinois, it was construed that women could vote for Presidential Elector, members of the State Board of Equalization; Clerk of the Appellate Court, County Collector, County Surveyor, members of the Board of Assessors, members of the Board of Review, Sanitary District Trustees and all the officers except police magistrates, of cities, villages and towns, and so on. Women have the right to vote in regard to matters connected with the schools, etc., in Connecticut, Delaware, Kentucky, Massachusetts, Michigan, Minnesota, Mississippi, Nebraska, New Hampshire, New Jersey, New Mexico, New York, North Dakota, Ohio, Oklahoma, South Dakota, Vermont, Wisconsin and Alaska, which I mentioned before. In Iowa, the women may vote at all school or municipal elections upon any proposition to vote bonds or increase the tax levies. Viewing the question from every standpoint, I consider that the general trend throughout the world is in the direction of extending the franchise to women; I do not know of a single country that, after adopting and trying out woman suffrage, has since discarded it, and I think we shall be quite safe in this country of ours in putting upon the Statute Books a law whereby women and men shall have equal rights in regard to the franchise. I trust, therefore, that this Parliament will see its way clear to place upon the Statute Books of this country a law

4 p.m.

extending equal franchise rights to every woman in every province of the Dominion.

As mentioned by the mover of this resolution, we have in this country a large number of people from foreign lands, many of whom know practically nothing of the affairs of this country, who have not the same ideals that we have, who come from a different civilization from ours and who apparently place no value on the franchise except what may be expressed in a form that may be very objectionable, and that I will not discuss in this House. Under such circumstances, we ought to discriminate; and if I had my way, speaking for myself, I certainly would have an educational test, but I know that would meet with objections from men on both sides of the House. I think, however, that some educational test ought to be applied before we grant the franchise to any one whether he comes from Canada or from some foreign land because I submit that before a person receives the tremendous power of the franchise, he ought to be able to read and write in one of the official languages of Canada and know something of the affairs of this country. In Germany, I believe the franchise is based upon property qualifications; a man there exercises his franchise according to his financial condition; if he is worth a hundred thousand dollars, his vote is worth perhaps a hundred times as much as a man who has ten dollars. In that way the wealth of the country commands the situation, and that probably is primarily responsible for the great world struggle in which we are now engaged, because the common, every-day people of Germany have very little voice in determining what the country shall do. I believe we would escape from that result by granting equal franchise rights in every part of Canada; one man or one woman, one vote. The franchise that prevails in one province should prevail in every province, and the ladies should be put on an equal footing with the men. I heartily endorse the resolution moved by the hon. member for South Oxford (Mr. Sutherland).

Hon. WILLIAM PUGSLEY (St. John City): Mr. Speaker, it will perhaps be remembered that at the last session of Parliament I moved a resolution having in view the removal of the anomaly which now undoubtedly exists in the different provinces in respect to the right of women to vote for members of this House. I am not quite sure whether in order to have the views which I entertain properly presented to the House, it may not be advisable for me to move an amendment to the motion of my hon. friend, because there is a possibility that the motion, which I have renewed at the present session and which stands upon the Order Paper with some alterations and in some wider language than my resolution of last year contained, may be deemed to be out of order under the rule of the House which prevents the same subject matter being twice considered.

I would suggest to my hon. friend who has made the motion and to the leader of the Government, whether it might not be better for my motion to be incorporated in some way with that of the hon. gentleman, and then if it were passed by the House it would be an expression of opinion that the anomaly should be done away with by placing the women of Alberta and Saskatchewan in the same position as the women of Ontario, Manitoba and British Columbia, or if that were not deemed desirable, the Government could introduce legislation to extend the franchise to women subject to such limitations as Parliament might impose.

Mr. ROGERS: Where does the difference come in between the two motions that my hon. friend refers to?

Mr. PUGSLEY: The difference comes in in this way. The motion now before the House simply recommends to the Government the extending the franchise to women all over Canada. The motion is very general in its terms; it is not definite, but simply urges that the question of extending the Franchise to women should engage the attention of the Government during the present session. Now, my resolution is more definite in form; it declares that the anomaly existing as to the right to vote between the women of the provinces of Saskatchewan and Alberta and those of the other three provinces where the women are granted the franchise should be done away with, or a general law be introduced.

Mr. ROGERS: Would my hon. friend mind explaining the anomaly he refers to?

Sir ROBERT BORDEN: I should be very glad if my hon. friend would go into that pretty fully, because the view which he set forth is not the view entertained by the Minister of Justice or the Solicitor General.

Mr. PUGSLEY: I am glad my right hon. friend has drawn my attention to that. I

think the House has been somewhat in the dark as to the opinion of the Minister of Justice on the subject ever since a question was put to him in the session of 1916 as follows:

Q. Is it the opinion of the Minister of Justice that women who are on the voters' list in the province of Manitoba, which province has granted the franchise to women, will be entitled to vote for members of the House of Commons?

The Minister of Justice replied:

It has never been the practice to answer questions of law.

Sir ROBERT BORDEN: That is quite correct.

Mr. DOHERTY: Does the hon. gentleman question that?

Mr. PUGSLEY: I do on a matter of this kind. I would think that the Minister of Justice ought to advise Parliament as to how the law stands on the subject. If the Minister of Justice is not to advise Parliament on questions of law, upon what subject is he to advise Parliament? Surely not on financial matters, or agricultural matters, or matters affecting the Department of Marine and Fisheries, for these belong to the Minister of Finance, the Minister of Agriculture and the Minister of Marine and Fisheries. I would rather suppose upon a question such as this, which has excited so much public attention and which is almost vital for the women of Manitoba, British Columbia, and Ontario to be informed upon, that when a member of Parliament asks the Minister of Justice in the House as to how the law stands in the matter, it would be only reasonable for him to give his view, because undoubtedly his view would be the view of the Government. The Minister of Justice must advise somebody. Even to-day I presume the question must be up before the Clerk of the Crown in Chancery in connection with the printing of the voters' lists. I presume that the lists for Manitoba, Saskatchewan, Alberta and British Columbia, if not Ontario as well, are now in the office of the Clerk of the Crown in Chancery. If the local officials have done their duty, those lists must contain the names of those women who under the provincial laws are entitled to the provincial franchise. It is the duty of those officials to include all provincial voters on the lists which they send to the Clerk of the Crown in Chancery, and then it is right up to the Minister of Justice, I would say, to advise the Clerk of the Crown in Chancery as to whether under the Dominion law he must erase from those lists the names of all women voters; that is a question which I would suppose the Minister of Justice must decide. However, the Minister of Justice must be the judge of that. I will invite him now, however, or before this discussion is through, to advise the House as to whether or not the women of Manitoba, Ontario and British Columbia are entitled to vote for members of this Parliament by reason of their being on the provincial lists. I do not see very well how the Minister of Justice can avoid giving an opinion upon a question of that kind.

From the study which I have given to the Dominion Elections Act, I have come to the conclusion, and I give it for what it is worth, that women who are on the provincial voters' lists for the three provinces of Ontario, Manitoba and British Columbia, are entitled to vote for members of the House of Commons; I think there can be no doubt about that. Nor can there be any doubt, I think, that women to-day are entitled to be candidates for the House of Commons and become members, if the people desire to elect them.

Sir ROBERT BORDEN: In all the provinces?

Mr. PUGSLEY: In all the provinces.

Mr. GERMAN: Women are not on the list in the province of Ontario, and cannot be put on the list except by legislation of this Parliament.

Mr. PUGSLEY: Yes, I think it would be ultra vires of the provincial legislature. It seems to me this Parliament must say as to whether or not women should have the right to vote for members of this House. Section 69 of the Dominion Elections Act declares the qualifications of candidates, and will be found on page 17 of Volume 1 of the Revised Statutes of Canada, 1906. It says:

Except as in this Act otherwise provided, any British subject may be a candidate in an election for a seat in the House of Commons.

These words are as broad as words can be. It will not be denied that women are British subjects, and in the list of disqualifications there is no provision that the candidate must be a male.

Sir ROBERT BORDEN: Might I ask a question purely for information? Upon what ground does my hon. friend base the proposition that women can be candidates for the House of Commons, but that they cannot vote?

The language is different in the two statutes, no doubt, but is it sufficiently different to justify the distinction the hon. gentleman has drawn?

Mr. PUGSLEY: That is, as to Alberta and Saskatchewan.

Sir ROBERT BORDEN: But as to the others?

Mr. PUGSLEY: As to these, no distinction. That is my contention. In Ontario, Manitoba and British Columbia, there having been created a provincial franchise, and the names of those entitled to vote being placed on the provincial voters' list, these parties are, by that very act, entitled to vote for members of this House. But it happens that, in the cases of Alberta and Saskatchewan, the Dominion Elections Act limits the right to vote to male persons.

Sir ROBERT BORDEN: So far as I know, the view expressed by the hon. member is a novel one, and I desire to know whether I follow his argument correctly. As I understand it, the hon. gentleman is of opinion that in all the provinces of Canada women have the right to become candidates at elections for this House?

Mr. PUGSLEY: Yes.

Sir ROBERT BORDEN: Then, on what does he base the distinction, which he evidently draws, between their right to become candidates at elections for this House, and their right to vote at an election for this House? He does not admit that they have the right to vote in every province. The distinction he makes must be based on a comparison of the legislation in one case and in the other.

Mr. PUGSLEY: In the provinces until recently only the names of male persons could be placed upon the voters' lists. That was a limitation in the provincial law. Therefore, not being on the provincial lists, they could not vote for members of the House. But recently the legislatures of Ontario, Manitoba, Saskatchewan, Alberta and British Columbia have altered their laws and have struck out the word " male," so that a British subject, whether male or female, having the qualifications of residence and age, is entitled to vote for a member of the provincial House, and therefore is placed on the provincial list. Having got that far, we come to the Dominion Elections Act, which many years ago adopted the provincial lists as the lists upon which the election of members of this House shall be run. Now, my view—and I am absolutely clear upon it—is that women in all these provinces of Manitoba, Alberta, Saskatchewan, British Columbia and Ontario, their names being upon the provincial voters' lists, are entitled to vote for members of this House unless there are some disqualifying words in the Dominion Elections Act. But there are these disqualifying words as to Saskatchewan and Alberta, though not as to any other province.

Let me ask the patience of hon. members while I call their attention to the provisions of the law affecting this matter. Some persons reading the Dominion Elections Act and seeing the masculine " he" or "him" in many sections, might assume that that fact alone would indicate that Parliament intended in all the provinces to limit the vote to male persons. But that does not follow, because of the Interpretation Act, which will be found in the Revised Statutes on page 8, section 31, paragraph (i) it is provided:

> Words importing the masculine gender include females.

Therefore no inference is to be drawn from the masculine term. The word "he," if the context permits it, means also "she," and "him," would mean "her" just as much as if the feminine term had been used. Now, I call attention to the Dominion Elections Act, section 2—the interpretation section—paragraphs (d) and (e):

> "Elector" or "voter" means any person entitled to vote at an election under the provisions of this Act.
>
> (e) "Voters' list," or "list of voters," includes any official list of persons entitled to vote at an election, and, when provincial lists are referred to, includes any official list of persons entitled to vote at a provincial election.

Now, we come to Part I of the Dominion Elections Act. Section 5 sets forth the following limitation:

> This part dos not apply to the Provinces of Saskatchewan and Alberta or to the Yukon Territory.

And section 6 provides:

> For the purposes of any Dominion election held within the limits of a province, the voters' lists shall, except as herein otherwise provided, be those prepared for the several polling divisions established, and which on the sixtieth day next preceding the day fixed for the nomination of candidates for such Dominion election, were in force, or were last in force, under the laws of that province, for the purposes of provincial elections.

And section 12 is as follows:

> Within ten days after the final revision of every list of voters for the purposes of provincial elections, and within ten days after

any change or alteration in or substitution for any such list under the provincial law, it shall be the duty of the custodian thereof to transmit to the Clerk of the Crown in Chancery, by registered mail, a copy of such list or change of alteration therein, or substituted list, as the case may be, certified under the hand of such custodian, and having every alteration, addition, or erasure therein identified by his initials.

I think it is absolutely clear that it is the duty of the local official, within ten days after the final revision of the list of voters for the purpose of a provincial election, to transmit to the Clerk of the Crown in Chancery simply the list of voters entitled to vote for members of the Provincial Legislature.

Under the provincial laws as they are to-day in those five provinces, those lists must include all the voters whether they are male or female. Every man and every woman entitled to vote for members of the provincial legislature must be on those provincial lists and those lists must be transmitted to the Clerk of the Crown in Chancery. Section 14 says:

For the purposes of Dominion Elections, such certified copy shall be deemed to be the original and legal list of voters for the polling division for which the list of which it is a copy was prepared, so long as that list remains in force, subject, however, to such changes and additions as are, subsequent to revision, made in such list under the provisions of the provincial law.

Section 19 makes provision for any changes which have been made in the voters' lists since the final revision, being added to the original lists. Section 21 provides:

So long as and whenever, for any reason, a certified copy of any list of voters as finally revised has not been transmitted to or received by the Clerk of the Crown in Chancery, pursuant to the provisions of this Act, the original and legal list for Dominion elections shall be the same as that for provincial elections.

You see, Mr. Speaker, that in the sections to which I have referred there is no limitation as to whether voters are male or female.

Mr. W. F. MACLEAN: Would the hon. gentleman state where he gets his legal sanction for a woman being a candidate?

Mr. PUGSLEY: I gave that. Perhaps my hon. friend was not in when I quoted from the Dominion Elections Act, section 69. I hope I will be pardoned, Mr. Speaker, for digressing a little from the consideration of the law relating to the voters' lists to answer my hon. friend. He will find that by section 69 it is provided:

Except as in this Act otherwise provided, any British subject may be a candidate in an election for a seat in the House of Commons.

No one will deny that a woman is a British subject or may be a British subject just as much as a man, or that if a woman is born within the British Empire, or becomes naturalized, she is a British subject just as much as a man.

Mr. W. F. MACLEAN: The legal right is not based on the fact of being on the voters' list, then?

Mr. PUGSLEY: Not at all. A person may be a candidate although not on the voters' list. There used to be a property qualification for candidates for Parliament, but that has been done away with and a free choice is left to the electors to elect whomsoever they please in the House of Commons, irrespective of qualification. However, there are some disqualifications which will be found in section 70 but which I need not refer to because that section has no bearing on the question of the right of a woman to be a candidate for Parliament.

Now, I have shown to you, Mr. Speaker, that there is no limitation whatever in Part I of the Dominion Elections Act, which applies generally throughout Canada, which would prevent women from having the right to vote provided they are on the provincial list. The sole condition, speaking in general terms, which the Dominion Parliament has imposed is that they shall be upon the provincial list. Then, to repeat my argument, it is that unless in the Dominion statute itself we find some disqualification, some limitation, of the right to vote for the House of Commons, every person, whether male or female, who is on the provincial voters' list and is entitled to vote for a member of the provincial legislature in any of the provinces, may also vote for members of the House of Commons. If there were no limitations in the Dominion Elections Act in regard to two of the provinces of Canada, I would not have spoken to-day, I would not have presented my resolution, I would not have brought this matter before this House.

Now, Mr. Speaker, I will call your attention to Part II of the Dominion Elections Act which deals especially with the provinces of Saskatchewan and Alberta and the Yukon Territory. The first section to which I shall refer is section 3, which provides that this part of the Act applies exclusively to the provinces of Saskatchewan and Alberta and the Yukon Territory. Then section 32 says:

In the provinces of Saskatchewan and Alberta, except as in this Act otherwise provided, every male person shall be qualified to vote at the

election of a member under this Act, who, not being an Indian, is a British subject and of the full age of twenty-one years, and has resided in either of the said provinces for at least twelve months, and, in the electoral district where he seeks to vote, for at least three months, immediately preceding the issue of the writ of election; Provided that, except as hereinafter provided, an elector may only vote at the polling station of the polling division in which he is a resident at the time of voting.

There is the same provision with respect to the Yukon. Section 33 says:

In the Yukon Territory, save as in this Act otherwise provided, every male person shall be qualified to vote at the election of a member under this Act, who, not being an Indian, is a British subject and of the full age of twenty-one years—

Mr. W. F. MACLEAN: Can my hon. friend tell us why that limitation was put in the Act?

Mr. PUGSLEY: No, I cannot. It would be very difficult to say with certainty what influenced Parliament at that time. It probably was that there were no provincial lists and Parliament was called upon to create a franchise as to these provinces. In the judgment of Parliament at that time it was thought desirable to only give the vote to male persons. I presume that was the reason. No doubt, the different provinces entertained the same view with regard to their provincial lists and I think in all of them it will be found that until recently the word "male" was used instead of simply the word "person", so that the right of the franchise was limited to males. I can think of no other reason than that which influenced Parliament. To make it absolutely clear that only males can vote in Saskatchewan and Alberta, I would call attention to the form of instructions to voters which will be found on page 82:

Information for Electors.

The following is the qualification of electors as prescribed by the Parliament of Canada:—

Every male person shall be qualified to vote at the election of a member under this Act who, not being an Indian, is a British subject, and of the full age of twenty-one years, and who has resided in the [province of Saskatchewan or Alberta, or the Yukon Territory (or as the case may be,) for at least twelve months immediately preceding the issue of the writ of election].

Then provision is made for the oath which the elector may be required to take in those provinces. It will be found at page 89. It is as follows:

You do swear that you are of the male sex and a British subject, that you are not an Indian, that you are of the full age of twenty-one years and that you have resided in the province of Saskatchewan or Alberta or the Yukon Territory (as the case may be) for at least twelve months, and (in case of the provinces of Saskatchewan and Alberta) in this electoral district for at least three months, immediately preceding the issue of the writ of election, and that you are now resident in this polling division.

I can not think that there is any doubt about the right of women, if their names are on the provincial lists in the provinces of Manitoba, Ontario and British Columbia, to vote for members of this House. Neither can I think there is any doubt that the disqualification contained in part two of the Dominion Elections Act as to Saskatchewan and Alberta will prevent the women of those two provinces from having the same right which the women of Manitoba, Ontario and British Columbia will have. The question is, should that anomaly be done away with? In considering this question, it seems to me we have to bear in mind that a great many years ago, in 1898, the General Dominion Franchise Act was repealed and it was provided that the provincial lists should be the lists which would govern in elections for the Dominion House. Parliament then came to the conclusion that it would be desirable to entrust the preparation of the lists to the local authorities, and that the Dominion elections should be run upon provincial lists. That has continued to be the law from that time to the present. It has been thought that it was in the best interest of the country to have the elections run upon the provincial lists. If that is a correct view to take, and it seems to have been regarded as correct by both of the great political parties of this country for a period of nineteen years, then it seems to me that there should be uniformity. It would be a strange anomaly that, of the persons who are on the provincial lists and entitled to vote for members of a provincial House and who, except for an express disqualification contained in a Dominion statute, would all be equally entitled to vote for members of this House, the women of two provinces of this Dominion should be debarred by the law of this House from that right, while the women of three other provinces, being in the same identical position so far as the provincial lists are concerned, should have the right to vote for members of this Parliament. Let me repeat that, in respect to the provincial legislatures, the women of Manitoba, Saskatchewan, Alberta, Ontario and British Columbia are in exactly the same position; they are entitled

to vote for the members of the provincial legislatures. They are entitled to be on the provincial lists. It is the duty of the local authorities to transmit their names as provincial voters to the Clerk of the Crown in Chancery, and, under the law, it will be his duty, or if not his duty it will be the duty of the returning officer if the law is allowed to remain as it is, to strike the names of women voters off the provincial lists of the two provinces of Alberta and Saskatchewan, and to leave them on the provincial lists for the three provinces of Ontario, Manitoba and British Columbia. It is that anomaly which I think ought to be removed. I think the conditions of the franchise may well be left, as they have been during the past nineteen years, to the provincial legislatures. The law has worked very satisfactorily, and I see no reason why there should be a change.

Mr. MIDDLEBRO: Is the hon. member aware that under the Provincial Act in Ontario the lists are prepared only shortly before a general election in that province, and that, therefore, those lists could not be forwarded here, except in a year in which an election in that province had occurred, and that we could not compel the provincial authorities to prepare a list when we were going to have a general election for this House?

Mr. PUGSLEY: That would depend on when there would be a general election.

Mr. MIDDLEBRO: The federal election would have to come in the same year as the provincial election.

Mr. PUGSLEY: It might be that this year, if there was an election before the provincial lists could be forwarded here, the election might have to be run on the lists of last year. But after next year, when women will be on the provincial lists in Ontario, there will always be a provincial list with the Clerk of the Crown in Chancery here containing the names of women, on which list a Dominion election would be held, and these women would be entitled to vote. Whether the names of all women would be properly on the list is another question; but in Ontario women would be entitled to vote just as men are entitled to vote.

In the motion which I have placed on the Order Paper, which is definite in its character, I would say, with the permission of the House, that I ask the House to declare specifically either that the disqualification contained in part two of the Dominion Elections Act as to the women of Saskatchewan and Alberta, should be done away with, or that they should all be put on the same footing, and that the women of other provinces whose names are on the provincial lists should be placed in exactly the same position. Or, if that should be deemed by the House not to be desirable, then that Parliament itself should grant the franchise to women, subject to such limitations as may be thought desirable. If my hon. friend (Mr. Sutherland), upon consideration, would consent to incorporate the resolution which I have had the honour to submit to the House with his own, that, I think, would enable the members of this House to express their views, if it is their opinion that this absurd anomaly should be done away with. It would enable members generally who are in favour of granting to women the right of franchise, to say that it should be done in either one way or the other. I cannot help thinking that if the franchise were still left with the provincial legislatures it would be better. Neither can I help thinking that if, as the result of so leaving it to the provincial legislatures and doing away with this anomaly as it exists in Saskatchewan and Alberta, the franchise should be granted to the women of all five provinces, the legislatures of the four remaining provinces, Quebec, New Brunswick, Nova Scotia and Prince Edward Island—when they would see that the legislatures of the other five provinces had given women the right to vote for provincial legislatures, and thereby, ex necessitate, for members of the House of Commons, would not be long in following suit and extending to women in those four provinces the same right to vote for members of provincial legislatures, and, as a result, for members of this House. I would suggest to my hon. friend, if I may be permitted to do so without being out of order, that instead of pressing his resolution, which is a very admirable one except that it is too general in its terms and too indefinite, and that it does not commit the House, or, if it is passed, does not commit the Government to anything except that they should give the matter attention—I would suggest that he strike out of his resolution all the words after the word "that," and substitute my resolution as follows:

That, whereas, in the provinces of Manitoba, Saskatchewan and Alberta, the provincial franchise has been granted to women by legislative enactment, and in British Columbia the electors

have voted in favour of similar legislation;

Whereas it is provided in the Dominion Elections Act that persons entitled to vote for members of a provincial legislature shall also be entitled to vote for members of Parliament, but in respect to Alberta and Saskatchewan—alone of all the provinces of Canada—it is provided that only males shall be entitled to vote for members of the federal Parliament, thus creating an anomalous situation as between the provinces, which should be removed;

Whereas during the present Empire struggle the women of Canada have shown a most intelligent and patriotic interest in, and an unselfish devotion to, the welfare of the State;

And whereas it seems but just and right that they should be given a voice in the direction of its affairs;

In the opinion of this House it is desirable that provision be made either to grant to women who are qualified to vote for members of a Provincial Legislature, the right also to vote for members of the Dominion Parliament, or to grant to women throughout the Dominion the right to vote for members of Parliament, subject to such provisions and limitations as may seem reasonable to Parliament.

If my hon. friend will not consent to incorporate this resolution with his, it would not be incompetent for me to move it by way of amendment. Perhaps my right hon. friend will let me know what he thinks about that.

Sir ROBERT BORDEN: I will do so later.

Mr. PUGSLEY: Perhaps it might be also understood, as I do not wish to prolong my remarks, that if such an arrangement could not be agreed to, I might be permitted later to move an amendment, after having heard from my right hon. friend, without making any further remarks. To keep myself in order, I will move the following amendment, with the understanding that I shall withdraw it if my hon. friend who has moved the resolution will agree to incorporate in it the resolution which I have upon the Order Paper:

That all the words after the word "that" be struck out and the following be substituted therefor:

The Dominion Elections Act should be so amended at the present session as to make uniform the right of women to vote for members of the House of Commons in those provinces which have granted to them the provincial franchise.

This amendment is along the lines that I have endeavoured to direct the attention of the House to as being the most desirable. I would prefer that we should agree upon a unanimous resolution in favour of extending to women the right, to which they are clearly entitled.

I was exceedingly pleased to hear the hon. gentleman who moved the resolution and my hon. friend who seconded it speak so strongly in favour of conferring the franchise upon women. The only respect in which I differ from them is in their argument that instead of adhering to the provincial franchise, this Parliament should adopt a general Franchise Act. This would mean dealing with the franchise generally, and not alone with the immediate subject which we are called upon to deal with. One hon. gentleman has said that a good many people in this country are opposed to extending the franchise to women. That assertion presents a very strong reason in favour of leaving the matter to the provincial legislatures. The extension of the franchise is a matter of education, and the safest way to deal with it is to leave it to the provincial legislatures, which are the best judges of the sentiments of the people in the particular provinces which they represent. I am sure that in the long run this method would result in greater satisfaction and better legislation.

I do not intend to argue at any length in favour of extending the franchise to women; I think that the time for argument has passed. The action of the most civilized countries in the world in granting this measure of justice to women ought to be convincing to this Parliament that it is the right thing to do. The fact that the great provinces of Ontario, Saskatchewan, Manitoba, Alberta and British Columbia have, either with perfect unanimity or by an almost unanimous vote, granted the franchise to women, ought to be a convincing argument to this Parliament that it is the right thing to do. The fact that in the United States 149 women belong to the Electoral College, that 7,000,000, in round numbers, is now the total of the women's vote, and that other strides have been made there in granting the suffrage to women, ought to be convincing proof that no evil has resulted from granting to women the franchise. The hon. gentlemen who have spoken in support of the resolution have pointed out that it would be impossible to overestimate the tremendous sacrifices which the women of Canada have made in the great struggle in which we are now engaged. Their sacrifices have been great, but, what is of equal importance, their work has been intelligent. They have combined skill and judgment with patriotic devotion to their country; they have given magnificent service, which has done a great deal to enable Canada to take the noble part which she is taking in this great war. Shall it be said that the women who have shown such in-

telligence, such good judgment, such energy, such devotion to their country, shall not be permitted to say how their country shall be governed; shall not be permitted to take any part in the direction of its affairs? As I have said, the time for argument has passed, and to-day the burden is upon those who hold that the franchise should not be granted to women. I do hope that this House will express the opinion that the Government should, at the present session, bring down a measure which will wipe out the disqualification of women so far as the provinces of Alberta and Saskatchewan are concerned, and will give to those women whose right to the franchise has been recognized by their legislatures the same right which their sisters in the other provinces of Ontario, Manitoba and British Columbia have; that the women in all the provinces upon whom the provincial franchise may be conferred shall, by virtue of that fact, their names being on the provincial voters' lists, have the right to vote for members of the Dominion Parliament.

Sir ROBERT BORDEN: Is my hon. friend in favour of extending the franchise to the women of all the provinces or only those in which the franchise has been extended to them by the provincial legislatures?

Mr. PUGSLEY: I would leave the provincial franchise to govern just as now. I think it would be proper to do so. It may be said that this Parliament ought to throw around the extension of the franchise to women certain restrictions; that they ought to extend it to women who are unmarried and to women who have property. To that I say, No. If we are going to extend the franchise to women, we ought to do what the provincial legislatures have done, that is, place them on an equal footing with men. We ought to give to every woman, married or single, possessing the qualification of residence the same as is required in respect of men, the same right to vote as a man has. While the British people have moved along pretty rapidly in the direction of woman suffrage, after a very hard struggle they have fixed the age at thirty years.

Mr. NESBITT: Twenty-five years.

Mr. PUGSLEY: Thirty years, I think it is. That strikes me as absurd. Mr. Lloyd George, the Prime Minister, in receiving a delegation of women recently in England, stated that the extension of the franchise had been a matter of compromise, and he also called attention to the absurdity of fixing the extreme age limit of thirty years instead of fixing the same age as for men, but he said that no doubt very soon the anomaly would be done away with.

Mr. NESBITT: Do you think few women would vote if the age limit were thirty years?

Mr. BURNHAM: Will the hon. member say why, having dilated upon the absolute right of women to vote, he proposes by his amendment to exclude women in certain provinces?

Mr. PUGSLEY: The reason is very simple; it is that Parliament has left to the provinces the right to say who shall exercise the franchise and who shall not.

Mr. BURNHAM: Is that a justification?

Mr. PUGSLEY: The provinces have the right to say that no man shall be allowed to vote unless he owns one thousand dollars of real or personal property or unless he has a certain income. The provinces are given by this Parliament the absolute right to fix the conditions of the franchise. The provinces have the right to extend the franchise to the Indians.

Sir ROBERT BORDEN: That is hardly the case. We have simply for the time being adopted the franchise conditions which the provinces have established. Nevertheless, this Parliament is and always has been invested with the fullest possible jurisdiction to determine who shall vote at elections of members of this House.

Mr. PUGSLEY: I grant that; I grant at once that Parliament in its wisdom has determined that, upon the whole, the best judges are the provincial legislatures and that it is better to leave the question of the right of the franchise to the provincial legislatures. Whether rightly or wrongly, that has been the view of Parliament for the past nineteen years, and as I have said, under this law, one province, if the legislature chose so to enact, might prescribe property qualifications which might be entirely different from the qualifications in another province; one province might prescribe a condition of residence which might be entirely different from what was prescribed by the legislature of another province; but all the same, only those to whom the province gave the right of voting for the election of members to the provincial House would be

5 p.m.

entitled to have their names placed upon the lists which would qualify them to vote for members of the Dominion Parliament. It is upon that ground, as I have pointed out, that the present law has worked with great satisfaction during the past nineteen years, that I would still continue to leave to the provincial legislatures the question of whether women should be on the voters' lists or not.

Mr. WRIGHT: Is it not a fact that a few years ago this Parliament expressed its dissatisfaction with the voters' lists provided by the provinces and exercised the right from that day to this of compiling the voters' lists over large parts of the province of Ontario, and I think, of some of the other provinces?

Mr. PUGSLEY: I think my hon. friend is mistaken as to that. I do not think Parliament, during the past nineteen years, has ever declared itself against depending upon the provincial franchise and using the provincial voters' lists, and it has certainly never taken any steps which would show any disapproval of the present law.

Mr. WRIGHT: This Parliament did as I have stated, and for years now, under the authority of this Parliament, the Dominion Government has been compiling the voters' lists in the northern parts of the province of Ontario.

Mr. PUGSLEY: My hon. friend is surely wrong in speaking in general terms. He is referring entirely to the unorganized districts of Ontario in regard to which it might be desirable to have special provisions. I shall not take up any further time, but shall conclude by moving the amendment which I have read, with the understanding, if my hon. friend prefers something different, I shall be glad to draw up another one along somewhat different lines.

Mr. SPEAKER: Without giving a ruling on the amendment of the hon. member for St. John city (Mr. Pugsley) at this stage, as it is entirely new to me, I feel it my duty to point out that the hon. member has upon the Order Paper a resolution, No. 6, following this, and it seems to me that that resolution, although it is not the same in terms, is substantially the same as that which he now submits by way of amendment. Bourinot, at page 301, says:

> Nor is it regular to move as an amendment to a question a motion of which notice has been given and which appears in its place on the Notice Paper.

If the amendment submitted by the hon. member for St. John is substantially the same as his notice of motion—and I am inclined to think it is—his amendment would not be in order, in that it is not competent for him to do by an indirect method that which he cannot do directly. I merely point out to the hon. member that I am inclined to the view that his amendment is out of order, but as the debate will probably proceed for a time, I shall be able to give a more definite ruling before it is concluded.

Mr. PUGSLEY: I would like, Sir, if in considering the question, you would keep in mind the fact that the amendment simply expresses the one view without any reference to any proposed legislation of a wider scope.

Hon. C. J. DOHERTY (Minister of Justice): It had not been my intention to take any part in the debate upon the motion moved by the hon. member for South Oxford, nor is it now my intention to deal with the merits of the question raised by that motion. I rise simply because the hon. member for St. John has expressed so insistent a desire for an expression of opinion upon my part upon the question of whether or not there exists that anomaly, to remedy which, I understand, is the purpose of the amendment which he has proposed. I might refer in the first place to his criticism of the answer which was given to the question put at the last session of the House as to what the opinion of the Minister of Justice was upon the question which arises upon his motion, namely, whether the fact that a certain province has conferred the electoral franchise on women, operated in view of the provisions of the Dominion Elections Act, to give women the right to vote in elections for the Dominion Parliament.

The hon. gentleman found fault that in response to that question the answer was given that it was not the practice to answer questions of law. The hon. gentleman would not dispute, surely, that that was a question of law nor that my answer stated the universal practice. He went on to suggest that it was the duty of the Minister of Justice to advise the House on questions of law, and he asked who is it that the Minister of Justice is to advise if not the House of Commons? He suggested that the Clerk of the Crown in Chancery must at the present time under the direction of the Minister of Justice be proceeding to strike names off the provincial lists. I

would like very respectfully to say that in all these suggestions the hon. member for St. John is labouring under an entire misapprehension. If the hon. gentleman will look at the statutes governing the function of the Minister of Justice he will see that the Minister of Justice is constituted—I do not pretend to give the exact words—the legal advisor of the Government, and of the different departments of the Government—not the legal advisor of the House of Commons.

Mr. PUGSLEY: Is not the Clerk of the Crown in Chancery an officer of one of the departments?

Mr. DOHERTY: He is an officer of the House of Commons, and I think it is a very serious question whether it would be a proper thing for him to take upon himself to act upon the advice of the Minister of Justice alone, and to proceed under his direction to strike names off the voters' lists without the intervention of anybody else, because after all the Minister of Justice might sometimes, though not always, be a political partisan. So far as I know no such procedure ever takes place. I did not come prepared to speak on this subject to-day, and I have not specially looked at the provisions with regard to voters' lists, but I would be surprised to learn that the Clerk of the Crown in Chancery, under anybody's advice or direction, strikes names off the voters' lists. I speak subject to possible correction, but I think there is really no room for correction when I say that I do not think there is vested in the Clerk of the Crown in Chancery any discretion to strike names off voters' lists. In the voters' lists as they come to us from the provinces, quite irrespective of the question of woman's franchise, there may be, and sometimes there undoubtedly are, large numbers of names of persons who are not qualified to vote in a Dominion election, but I do not know of any authority under which the Clerk of the Crown in Chancery can strike those names off.

In giving the answer I did last year, the well-established practice was followed. In saying that as Minister of Justice I am not the advisor of the House of Commons, I only repeated what I have heard said many, many times by my predecessor in this office. I am not quite sure but that when I first took office I myself suggested just what the hon. member for St. John has suggested this afternoon. But whether it was I that put forward that proposition or another, I have the clearest possible recollection of the very distinguished gentleman who was my predecessor in office taking distinctly the position that he had no function to act as advisor to the House of Commons. We are all here as members of the House of Commons, and the opinion of the gentleman who happens to be Minister of Justice is worth just what it may be worth as the opinion of one lawyer sitting in this House, and I have no doubt, in fact I would anticipate, that any person seeking light on the law would give at least equal respect and consideration to the opinion of other members of this House as they would to my opinion. If the Minister of Justice be the legal advisor of the House of Commons, it would seem to follow that the House of Commons ought to accept and act upon his advice, and it would be confiding to a member of the Government very large powers indeed, if his office gave him the right to speak authoritatively to this House as to what the law was, and this House was under any obligation to accept his view. I fancy the hon. gentleman himself would not be prepared in this particular case, or generally, to accept as conclusive whatever view I might express.

I am quite willing to express to the House my view upon the question of law that arises in the case, but as I did not come with the intention of discussing this question, and indeed it is one that apparently would not have presented itself upon the motion of the hon. member for South Oxford, my hon. friend and the House generally will perhaps pardon me if I am not as clear and concise as I might otherwise have been in the setting forth of this opinion.

The proposition of the hon. gentleman that an anomaly exists by reason of the fact that women in those of the older provinces where the legislature has conferred the franchise are now entitled to vote in Dominion elections, whereas in the provinces of Alberta and Saskatchewan where the legislatures have also conferred the franchise on women they are not entitled to vote, is, I think, a mistaken one. He rests his proposition, if I followed his argument rightly, upon the terms under which the Dominion statute recognizes that the voting qualifications prescribed by the different legislatures shall be sufficient to confer the right to vote in a Dominion election, and upon the provisions which recognize that the voters' lists prepared by the provinces shall, subject to certain conditions which are not now material, be used

in Dominion Elections. I understand the hon. gentleman to base his contention on the fact that our statute, in describing the qualifications of those entitled to vote, says that every person who is a British subject, and so forth, qualified to vote in provincial election, shall be qualified to vote in a Dominion election as well. His contention is that because the statute does not create a disability upon any particular class of person, that the words "every person" must be taken as including all persons of any kind or description, and I think he finds an added strength for that argument in the fact that in that portion of the Election Act which deals with the persons for which the Dominion itself provides the qualifications, the words used are, "every male person."

That part of the proposition of the hon. member with which I do not agree is this: he contends that because by the statute itself no distinction of persons is made, it follows that the word "person" is to be interpreted as including all kinds of persons, even those labouring under existing legal incapacity at the time of the passing of the statute. If I follow the hon. member, he contends that if that statute does not impose any disability, there is no need of that statute in any express way removing any previously existing disability. Now, previous to the enactment of the Dominion Elections Act, the Dominion determined its own franchise and made its own lists; and, for the purpose of determining what a "person" was with regard to that franchise and the making of the lists, we had a provision defining a "person" as being a male person. So that, under the provisions of an immediately pre-existing law dealing with the subject of the franchise, the law for which the present law was substituted, "person" for franchise purposes, was a male person and did not include women. It is not impossible that we may find there the explanation of the insertion of the words "male person" when this Parliament came to make an Act defining the franchise, which it does in that part that deals with the province of Saskatchewan and Alberta, where when dealing with the other provinces it was merely the provincial franchise as regards the question of qualification —and I insist a little upon that, because I think it is well to bear in mind that all that Parliament declared itself willing to accept from the province was that persons who had the qualifications which the province described——

[Mr. Doherty.]

Mr. GERMAN: Does the hon. minister say that in the provinces of Saskatchewan and Alberta, as the Dominion law stands at present, a woman could vote in an election to this House by reason of the Franchise Act in either of those provinces?

Mr. DOHERTY: No, I thought I had made it clear that my view was that they would not be entitled to vote in a Dominion election. Consequently, I say there is no anomaly, that their position as regards voting in the Dominion elections is the same as the position of women in the provinces where the province has not recognized the right of women to vote.

I lay stress on the fact that the matter with regard to which our law declares the readiness of Parliament to accept the decision of the provincial legislature is the matter of the qualification which will entitle a person to vote. But there is nothing in our statutes which hands over to the legislature of the province the power to determine who is and who is not, for the purposes of the franchise, a "person." Parliament, when it used the word, used it, no doubt, with a clear understanding of its meaning. I am not going to suggest that in the abstract a woman is not a person. I would not dare to say it even if I thought it, which, of course, I do not. But I submit that "person" in the Act of 1906 means to-day what it meant when the law was enacted, and that there is no power in the legislature of any province to make the word "person" in that Act mean something different from what it meant at the time it was enacted. And I think the hon. gentleman will agree with me that there are words which, with regard to special enactment, as a matter of law, have a meaning sometimes broader and sometimes narrower than their meaning in ordinary parlance. My proposition is that in that statute of 1906, when the legislature said "every person" it meant every male person, and that because it was not creating any capacity to vote, but was dealing with a "person" from the point of view of voting, and did not confer a capacity upon people who, up to the time of that enactment, had not the capacity to vote, and that we are not justified, in the absence of clear provision by the legislator intimating his intention to create an entirely new class of persons with capacity to vote, in inferring that he meant to do that merely because he spoke of "every person." In other words, the legislator, when he was enacting how were to be determined the qualifications of persons entitled to vote, must have had in

contemplation those persons who at the time—and from all previous times—had been the only persons capable of voting at all.

Mr. PUGSLEY: Assuming what the hon. minister says to be correct, can he suggest any reason why Parliament, in dealing with Saskatchewan and Alberta, where they have no provincial lists, should have used the words "male person" and in dealing with the provincial lists which are provided for in some provinces, said simply "person?"

Mr. DOHERTY: I think I can suggest an explanation of how that happened. But, even if I be not in a position to offer any explanation, I submit that, as a matter of law, if the word "person" standing by itself had at the time of that enactment a perfectly clear meaning excluding the idea of a female person, you could not, by mere inference from the fact that in this other portion of the Act the legislator used the words "male person," safely conclude that he meant to alter the meaning attached to the word "person" as it was well recognized to be at the time he used the word in connection with that particular subject matter.

In a moment I shall show to the hon. member an authority which I think he will recognize as a very respectable authority where precisely the same thing occurred and where, notwithstanding it having so occurred, it was held in England that the word "person," as applied to the Franchise Act, did not include a woman. We have to take it as the starting point that our Act limits itself to accepting the determination of the provinces as to qualifications. As far as these lists are concerned, it defines the lists but I do not think my hon. friend will find anything in that statute saying that the mere fact of a person being on the list makes of that person an elector. In fact, there are numerous persons on these lists who are not qualified to vote at our elections. The question, therefore, is not whether a woman is or is not an elector under the provincial statute. So far as qualifications are concerned, if the province changed the qualifications of a person, without this Parliament changing its law, such person would become qualified to vote at a Dominion election. But until this Parliament undertakes to say that some one who, for the purposes of the Act which it enacted, would not be a person within the meaning of the Act when it was enacted, has become a person and has become so entitled, the province cannot impose that person upon this Parliament as being recognized under the legislation of this Parliament as being a person capable of voting.

Mr. BURNHAM: Would the Minister of Justice say what right this Parliament has to define the status of the province in regard to that particular question? Has not this Parliament to take the definition as handed out by the province?

Mr. DOHERTY: This Parliament is not under any obligation to take the enactment of the province in regard to the qualification of voters. This Parliament has absolute power to determine who shall vote in elections and if persons, who are upon the provincial lists and are recognized by the provincial authority, vote in a Dominion election, it is not because the province says so but it is because this Parliament has said: We will take over your list and make it ours. By simply being on the provincial list a man does not vote, properly speaking, because he is on that provincial list; he votes because this Parliament has taken that list over and made it the Dominion list. He votes because this Parliament has said that he may vote, and not because the legislature has said so. That is only one way that this Parliament takes, of exercising its absolute power to determine who shall vote in Dominion elections.

Mr. GERMAN: But if his name is on the list he can vote?

Mr. DOHERTY: Not necessarily.

Mr. GERMAN: If he is otherwise qualified under the Provincial Act?

Mr. DOHERTY: There are classes of disqualification in our own Act. For a number of years my own name stood upon the voters' list but I was disqualified from voting because I held an office that, under the Dominion Elections Act, disqualified me.

Mr. PUGSLEY: Those are personal disqualifications.

Mr. DOHERTY: Yes; so that the fact of your being on the list is not conclusive evidence that you are an elector.

Mr. GERMAN: If women are on the voters' list for Ontario, does the minister contend that these women cannot vote for Dominion elections?

Mr. DOHERTY: That is my view.

Mr. GERMAN: That they cannot vote?

Mr. DOHERTY: That they cannot vote, that the mere fact of their being upon the list does not make them voters.

Sir WILFRID LAURIER: What is the difference between them and men?

Mr. DOHERTY: Because every "person," within the meaning of our statute, who has the qualifications prescribed may vote, but my proposition is that a woman within the meaning of our statute is not included within the meaning of "person."

Mr. PUGSLEY: What is a woman if she is not a person?

Mr. DOHERTY: Within the meaning of the statute, I say. The hon. member can say hosts of funny, and amusing, things, if he wants to and he can suggest that I am saying that a woman is not a person, but what I am saying is that when the legislators said that every "person" might vote he did not say anything to the effect that a woman should vote. I will point out to my hon. friend an authority that I think he will not laugh at. He may say that I am wrong, he may feel justified in laughing at me, but when I show him this authority I do not think he will laugh at it.

Mr. PUGSLEY: I was not laughing at my hon. friend but rather at the suggestion that a woman is really not a person.

Mr. DOHERTY: The hon. gentleman finds it necessary to say "really not a person," whereas the hon. gentleman would be more correct if he quoted me as saying that a woman was not included in the word "person" within the meaning of the statute. That is all I was saying. I think I am quite safe in taking it as the starting point that at common law, woman was incapacitated from voting. And I think I am just as safe in taking it that, at common law, woman is equally incapacitated from being a member of Parliament.

Mr. McKENZIE: I understand the minister to mean that the word "person" in our Act must be interpreted in view of the conditions that existed at the time the legislation was passed?

Mr. DOHERTY: Precisely, and in view of what the law understood to be a person from the point of view of the capacity to vote and what therefore we must assume Parliament understood when it used the word. I think I am perfectly safe in saying that at common law a woman was not capable of being a voter for a member of Parliament. At common law— and I think this answers the hon. gentleman's suggestion about a woman being a candidate for this House—a woman was not capable of being elected to Parliament. My proposition is this, that that incapacity will only disappear in face of legislation absolutely and clearly removing it and to say simply that every "person" shall be entitled to vote in face of the fact that there existed a positive incapacity in a particular class of persons, or persons of a certain kind, does not justify the conclusion that Parliament meant to create a new class of capable people.

Mr. GERMAN: The Ontario statute says that every person shall be entitled to be on the voters' list. It does not say "male and female;" it says "every person." Does the hon. gentleman mean to say that it does not include women and that under the provincial Act as it stands now women cannot vote in Ontario at a provincial election?

Mr. DOHERTY: I am not familiar with the provision but I understand that previously the statute said "every male person" and that now the legislator has come in and said: I do not want to say "male person" but to make it clear now that I mean every person, male and female, I am striking that out. What we have got by that is the perfectly clearly evidenced intention of the legislature to exclude the idea of a male person. My proposition goes no further than this: that, unless there be such clearly expressed intention, I do not think there is room for serious dispute.

Sir WILFRID LAURIER: We have not the same distinction in our own statute in regard to Alberta and Saskatchewan?

Mr. DOHERTY: At no time did we strike out the word "male" as used in any part of the statute. What happened in regard to our statute is that, with regard to the old provinces where Parliament was accepting the qualifications as prescribed by the provinces, it used the words "every person." In that portion of the Act where Parliament was enacting a Franchise Act of its own for Saskatchewan and Alberta, it used the words "every male person." And if I am not mistaken, that was subsequent legislation, not being enacted at the same time; it was not a matter of comparing the two sections one with the other and saying: Shall we use the word "person" here, and shall we use the words "male person" there? Because in one statute enacted subsequently to that portion of the law the words "male

person" are used, because Parliament sought to be even more clear and distinct, that does not modify the meaning of the word "person" used in previous legislation; whereas in the case of the provinces they are making subsequent legislation, and making a deliberate change, substituting one provision for another, and striking out the word "male," thus making the whole provision utterly nugatory, unless the change give capacity to women, as it could not mean anything else than that the legislature wanted to get rid of the limitation in regard to sex. But in our legislation there never was any getting rid of a limitation in the legislation that was being dealt with, which said "every person." When Parliament was making a Franchise Act, it made use of a defined term, "male person," which was only following out and making perfectly clear the well accepted meaning of "person" up to that time.

I said that the question was not new, that I would be able to cite respectable authority, indeed I might say conclusive authority, in support of the propositions I have been setting forth. In England the question has arisen in two cases, the case of Chorlton against Lings, Law Reports, Common Pleas, page 374; and the case of Nairn against the University of St. Andrews, one of the Scotch universities, to be found in Appeal Cases 1909, page 147, House of Lords. The latter case is especially striking as dealing with a question as nearly as can be on all fours with the question we are considering here. In the case of Chorlton and Lings, what was held was that:

> Women are not entitled to vote in the election of members of Parliament, because they are by reason of their sex subject to a "legal incapacity" within the meaning of the enfranchising clauses of the Representation of the People Act 1867. By section 3 of the Representation of the People Act 1867 it is enacted that "every man" having certain qualifications shall be entitled to vote; and by Lord Romilly's Act it is enacted that in all future Acts words importing the masculine gender shall be deemed and taken to include females, unless the contrary is expressly provided.
>
> Held, that the words "every man," in the Representation of the People Act, did not include females, because what is necessarily implied from the language of an Act is "expressly provided," and the Legislature, in the Representation of the People Act, were dealing not with the description of persons entitled to vote, but with their qualification, and therefore used the word "man" in the sense of "male persons."

Mr. PUGSLEY: Hear, hear, that is not very much against our position.

Mr. DOHERTY: When it used the word "man" it was not dealing with qualifications, but with the description of persons entitled to vote, dealing with descriptions, not with qualifications; and so it used the word "man," although there is an express Statute saying that "man" includes woman.

Mr. PUGSLEY: No. Is not the language of the Interpretation Act: that the masculine shall include the feminine where the context requires it?

Mr. DOHERTY: I am not dealing with our Interpretation Act. Perhaps my hon. friend did not follow me when I read the provision.

Mr. PUGSLEY: Would the minister kindly repeat it.

Mr. DOHERTY (Reading):

> It is enacted that in all future Acts words importing the masculine gender shall be deemed and taken to include females unless the contrary is expressly provided.

Not unless the context otherwise requires, but unless the contrary is expressly provided and in the face of that, with a statute that says that every man should have a right to vote and no express provision to the contrary, the court held that for the purpose of the franchise it did not include women. The word " man " is treated as being the equivalent of our word " person" for general purposes. But the reason why it does not include woman is that according to inveterate usage, woman was incapable of voting, and that you could not assume, that by the mere use of a generic word as "man," or "person," Parliament intended to remove that general incapacity.

The other case is perhaps more absolutely similar to this case. There we are dealing with the word "person." and likewise with the effect of a person being on the specific list which is defined as being the list of persons entitled to vote. Perhaps before we pass to the other case I might give a citation or two from the remarks of the judges in the case I have been speaking of. Two reasons were given why the word "man" in that case did not include woman: First the subject matter and general scope of the language of the Reform Act showed that the word man was not intended to include woman, and second because at common law women were under a legal disability and were incapable of voting, a condition which the statute had not relieved. Justice Byles said that it was impossible to suppose that Parliament when

dealing with qualification and with qualification only, intended by the variation of a phrase to admit to the poll the other half of the population. Chief Justice Bovill said:

I do not collect from the language of this Act that there was any intention to alter the description of the persons who were to vote, but rather conclude that the object was to deal with their qualifications; and if so important an alteration of the personal qualification was intended to be made as to extend the franchise to women, who did not then enjoy it, and were in fact excluded from it by the terms of the former Act, I can hardly suppose that the Legislature would have made it by using the word man.

The case of Nairn vs. the University of St. Andrews bears, perhaps, more directly upon our present question, because the word in question is "person," and the question passed upon is the effect of enabling women to be included in the class of persons which, under the existing law, had been declared capable of voting. The question was that of the right to vote for a member to represent the University of St. Andrews. Without going into the exact words, the qualification to vote for a member to represent the University of St. Andrews was that of being a member of the council. At the time that was enacted, women were apparently not entitled to be members of the council, just as, at the time of our enactment, neither in the provinces nor anywhere else were women entitled to vote. Subsequently, under authority conferred upon them by statute, the authorities of the university recognized to women the right to become graduates and thereby to become members of the council of the university. Women, therefore, found themselves absolutely within the exact description of what was a lawful voter entitled to vote for the representation of the university in Parliament. Yet the court held that they were not entitled to vote.

Mr. PUGSLEY: Would the minister give the citation?

Mr. DOHERTY: Law Reports, Appeal Cases 1909, page 147. Here is the description of what was a lawful voter:

"Every person whose name is for the time being on the register of the general council of such university, shall, if of full age, and not subject to any legal incapacity, be entitled to vote in the election of a member to serve in any future Parliament for such university in terms of this Act"; and by s. 28, sub-s. 2, the following persons shall be members of the general council of the respective universities: "All persons on whom the university to which such general council belongs has after examination conferred" certain degrees, "or any other degree that may hereafter be instituted."

The report continues:

The appellants were five women graduates of the University of Edinburgh, and as such had their names enrolled on the general council of that university, and they claimed as graduates and members of the general council the right to vote at the election of a member of Parliament for the university.

Held (affirming the decision of the Extra Division of the Court of Session), that the appellants were not entitled to vote in the election of the parliamentary representative of the university.

There is no evidence of any ancient custom for women to vote in parliamentary elections.

Some of the things said by the judges in this case are startlingly applicable to the present question. Lord Loreburn says:

In regard to the alleged right of voting the appellants assert that, if ancient records are explored, there is evidence of women having enjoyed this right, and no adequate ground for affirming a constitutional or common law disability on the score of sex; and, further, that the Representation of the People (Scotland) Act, 1868, taken with the Universities (Scotland) Act, 1889, and the ordinances made under the last-mentioned Act, do upon their literal constitution confer upon women, if they comply with the requirements, a right to vote for university members.

Now, my Lords, it may be that in the vast mass of venerable documents buried in our public repositories, some of authority, others of none, there will be found traces of women having taken some part in parliamentary elections. No authentic and plain case of a woman giving a vote was brought before your Lordships. A few equivocal cases were referred to. I was surprised how few. And it is the same in regard to judicial precedents. Two passages may be found in which judges are reported as saying that women may vote at parliamentary elections. These are dicta delivered from an ancient manuscript of no weight. Old authorities are almost silent on the subject, except that Lord Coke at one place incidentally alludes to women as being under a disqualification, not dwelling upon it as upon a thing disputable, but alluding to it for purpose of illustration as a matter certain. This disability of women has been taken for granted.

It is incomprehensible to me that any one acquainted with our laws or the methods by which they are ascertained can think, if, indeed, any one does think, there is room for argument on such a point. It is notorious that this right of voting has, in fact, been confined to men. Not only has it been the constant tradition, alike of all the three kingdoms, but it has also been the constant practice, so far as we have knowledge of what has happened from the earliest times down to this day. Only the clearest proof that a different state of things prevailed in ancient times could be entertained by a court of law in probing the origin of so inveterate an usage. I need not remind your Lordships that numberless rights rest upon a similar basis. Indeed, the whole body of the common law has no other foundation.

I will not linger upon this subject. If this legal disability is to be removed, it must be done by Act of Parliament. Accordingly the appellants maintain that it has in fact been done by Act of Parliament. They say that the Act of 1868, while confining to men the franchise described in other sections, adopts different language in s. 27, using in that section the word "persons." I agree that the word "persons" would prima facie include women. But, in speaking of "persons," this same section limits them to those who are "not subject to any legal incapacity." I cannot doubt that by this limitation, if not otherwise, are excluded all such persons as may by law be disabled from voting. Peers are excluded, as are women. So, also, are others.

If the word "persons" in s. 27 of the Act of 1868 is wide enough to comprise women, then they are shut out by the exception of those subject to a legal incapacity. If the word "persons" is not wide enough to include women, then there is nothing in any Act of Parliament that gives the smallest foothold for the appellants' contention.

I do not want to take up the time of the House by reading citations, but I wish to read from Lord Ashbourne's opinion. He speaks of what the Legislature had in contemplation when it used the word "persons."

Then he says:

In 1868 the legislature could only have had male persons in contemplation, as women could not then be graduates, and also because the Parliamentary franchise was by constitutional principle and practice confined to men.

Now when the legislature said that every person on the register of the university should be entitled to vote, there is what the court said that that meant every male person, because at that time no female persons were entitled to vote anywhere nor could they be graduates. When our Parliament said that every person that has the qualifications provided by the legislatures shall be entitled to vote, it necessarily excluded women because at that time and for all time previously, nobody had had women as voters in contemplation at all and women could not be on a provincial list. Lord Ashbourne continues:

The Appellants strongly relied on the use of the word "man" in some earlier sections dealing with counties or boroughs.

There is just the suggestion made here with regard to the use of "person" in one place and "male" person in another. In this they use " person " in one place and " man " in another.

Mr. PUGSLEY: Does not the hon. minister think that makes it stronger, "person" in one place, and "male" in another?

Mr. DOHERTY: There may be a shade of difference, but the difference of effect in both instances must rest upon the contention that the use of different words necessarily implies different meanings, and I think that it is a pretty light shade of difference. If it is an inevitable conclusion that because in one place I use the word " person " and in another " male person ", I mean different things in the two places, the distinction is very finely drawn if I can say: Well, I used " person " in one place and " man " in another, and I meant just the same.

At six o'clock the House took recess.

After Recess.

The House resumed at eight o'clock.

Hon. C. J. DOHERTY (Resuming): I should just like to add two further citations before leaving the case of Nairn and the University of St. Andrews, to which I was referring when the House rose at six o'clock. Lord Ashbourne, after saying what I read before the House rose at six o'clock, in which he made it quite clear that he excluded a woman in that particular case on the ground that she was not a person within the meaning of the statute, went on to say:

I can, then, entertain no doubt that, when examined, "person" means male person in the Act. The parliamentary franchise has always been confined to men, and the word "person" cannot by any reasonable construction be held to be prophetically used to support an argument founded on a Statute passed many years later.

I do not think any language could be more directly applicable to the present case. To hold that within the meaning of the statute of 1906 "person" included a woman, we must hold that it was prophetically used to support an argument founded on a statute passed twenty years later.

I should also like to cite a few words from page 161 where Lord Loreburn says:

It would require a convincing demonstration to satisfy me that Parliament intended to effect a constitutional change so momentous and far-reaching by so furtive a process. It is a dangerous assumption to suppose that the Legislature foresees every possible result that may ensue from the unguarded use of a single word, or that the language used in statutes is so precisely accurate that you can pick out from various Acts this and that expression and, skillfully piecing them together, lay a safe foundation for some remote inference.

Before passing from the English cases I might mention the case of Bebb and the Law Society, where the question was whether a woman was eligible under the statute providing for the admission of "persons" as solicitors or attorneys. It was there held that:

Before the passing of the Solicitors' Act, 1843, women were by the common law of England under a general disability, by reason of their sex, to become attorneys or solicitors. That disability can be, and is, proved by inveterate usage. It could not be removed by a mere interpretation of the clause, such as the Solicitors' Act, 1843, s. 48, which provides that words importing the masculine gender shall extend to a female. There is nothing in the Solicitors' Act, 1843, or any amending statute which can be construed as giving women any new right to become solicitors. The disability therefore continues, and the Law Society cannot admit any woman to their preliminary examination with a view to her becoming a solicitor.

I refer to this in connection with what was said about the provisions of our Interpretation Act, where the masculine is intended to include the feminine. The quotation I have just cited is directly applicable in that regard. No doubt that the provision of our Interpretation Act would render it impossible for us to draw any inference from the words "he or him or his" being used throughout the Election Act in reference to an elector or a voter, but it leaves untouched the question of the meaning of the word "person" and it may be well to mention in passing that while we have a section in our Interpretation Act which is intended to clear up what is meant by "person" it does not refer at all to the question of sex. It includes within the definition of "person" corporate bodies and companies and so forth, but does not touch one way or the other the question of what may be meant as regards sex in any particular statute by the word "person." So we have no statutory disposition as to the proper interpretation in this regard to be given to the word "person." In this case of Bebb which I think bears directly on the suggestion of the hon. member for St. John, that because our statute says that any British subject of 21 years of age may be a candidate, and therefore a woman may be a candidate, Lord Robert Cecil in opening the case quotes from Maitland's History of English Law, (and it is referred to later on with approval by the judges) as follows:

As regards private rights women are on the same level as men, though postponed in the canons of inheritance; but public functions they have none. In the camp, at the council board there is no place for them.

The learned counsel declares that he accepts that statement, but arguing as he was that a woman might be a solicitor, he goes on to claim that the words "public function" must be defined narrowly. It goes without saying that to be a candidate or member of this House, or to vote is a public function. It is hardly necessary to cite anything in support of that proposition. In view of what is conceded all round in all the cases to which I have referred, a woman at common law was not capable of voting, and merely because the statute used the terms "every person" it appears clearly impossible to conclude, in the absence of any such expressed intention by the legislature, that it intended to remove entirely that disability, or as one judge says, "to add to the voting body the other half of the population which never had voted before." On the strength of these authorities I think one can safely say that the mere use of the word "person" does not justify one in assuming that it was intended to effect this far-reaching revolution.

One of the cases I have cited is directly applicable to the present question. The meaning of the word " person " used under analogous circumstances is under consideration, and that word it is declared cannot by any reasonable assumption be held to be prophetically used to support an argument founded on a statute passed many years later. So here, to sustain the argument of the hon. member, we must look upon the word used at a time when everybody knew that when speaking of persons in connection with voting no one thought of women, as used prophetically, and Parliament as having in mind that possibly at some future time somebody would so alter the law that a woman would become a person capable of voting, and intended then that at any such time in the remote future, which might never come, women were to be included in the word " persons " and entitled to vote.

As regards the argument that my hon. friend has sought to make based upon the lists, I do not see that it leads to the conclusion that the hon. member has come to. The sections dealing with the lists and with voting provide that the provincial lists shall be used and these come from the provincial officers as being the lists of voters entitled to vote at the various polling divisions. As I understand the procedure—I do not like to be too positive about it—but I do not think it is open to much question, the clerk of the Crown in Chancery has not the power to sit down and cut this man and that man off the list. He simply takes the list and gets it printed and then that becomes the list. But that does not mean that everybody on that list is entitled to vote in a Dominion election. Among the affidavits required to be taken and for

which forms are provided, you will find one for the case of a man on the provincial voters' list who is disqualified under the Dominion statute. Sections 67 and 69 give quite a list of people who are disqualified under the Dominion Act. The procedure that is adopted is this: When a man who is on the provincial list presents himself to vote at a Dominion election he may then be sworn as to whether or not he is disqualified under the Dominion Act, which demonstrates that being on the list is not conclusive of the right to vote, and that merely having his name on the list would not entitle some one who did not come within the designation of "person" within the meaning of the statute, to vote.

In our country we have had this question of the meaning of the word "person" or other general words in statutes dealing with capacity for holding office or position —I do not know that we have had it in connection with voting. There has arisen quite recently in the province of Quebec the case of Langstaff vs. the Bar of the province. This court of first instance rejected the claim of the lady to be admitted to the Bar, and the Court of Appeals confirmed that judgment. I have before me only the report of the Superior Court, and it does not give the exact text. The reporter, when he comes to the place where the judge read a section of the Act, simply indicates the section read, and does not give the wording, and I have not the statute before me. I am not clear that the question is as to the word "person." But in effect the claim was that a candidate complying with certain things would be entitled to be admitted to the Bar, and, though the candidate was spoken of as "he," yet under the interpretation which they have there as we have it here, the masculine form of expression included the feminine, unless incompatible with the context, and that because no exception was made excluding women, a woman was entitled to become a member of the profession. The Court of Appeals held, in accordance with the principles which I have been trying to make clear, that women were not included and that a woman was not entitled to become a member of the profession. This is an addition to the English case which has been cited. I am also aware of a case in the province of New Brunswick, in which as I recollect it an endeavour was made by a lady to compel the Bar of the province to admit her to the profession, but her application met the same fate as that of her sister in Quebec. I have not had the advantage of reading the case, but I am told that the question was dealt with very fully and in a very conclusive manner by Chief Justice Barker of that province.

So, I think one may safely say that, in the present condition of the law, women in all the provinces stand upon the same footing, and that women in none of the provinces are entitled to vote in a Dominion election. While I think one may safely say that, I do not wish to appear dogmatic or to suggest that what I have said is the last word on the subject and that the subject is not open to discussion. But I have been asked to give my opinion, and I am very happy to give it for what it is worth. I have little doubt, if any, that what I have just said, namely, that women in all the provinces stand on the same footing, and that in none of the provinces are women entitled to vote in a Dominion election, is sound. At all events, this can be said with a very great degree of certainty, that woman's claim to the right to vote in Dominion elections, no matter in what province she may reside, is very far from being sure under the present state of the legislation. I should imagine that any one who desires that women should be given the right to vote would realize that the only way in which that can safely be brought about would be, not the way suggested by the hon. member, but by direct action of this Parliament.

As I said, I do not desire to intervene in the debate on the question whether or not the vote should be given to women. The question, to my mind, is so many-sided, and calls for the consideration of such numerous, varied and important matters, and it is one whose decision is fraught with such very grave consequences, that I certainly would not attempt to speak upon it without much more careful preparation than I have had in this case—for I had not contemplated taking part in this debate. On that question, then, I abstain from taking part in the discussion. I have given what I believe there is to be said in favour of my view on this other question, in the hope that, whether I am absolutely right or not, I may at all events have served the good purpose of giving to hon. members some useful information bearing on it.

Sir WILFRID LAURIER: No one could find fault, I am sure, with the views expressed by the learned and hon. Minister

of Justice (Mr. Doherty). Whether we agree with his conclusions or whether we dissent, the argument he has presented is certainly one well worthy of consideration.

The motion of the hon. member for South Oxford (Mr. Sutherland) has been supported, altogether on the statement and assumption that woman is the equal of man, and that she is entitled to all the rights and privileges given to man under our constitution. No one at this date will dispute such a statement; it is accepted everywhere, I believe, if not in all its consequences, at least in its principle, as beyond doubt or controversy. Everybody admits that woman is the equal in intelligence of man. Yet, my hon. friend from South Oxford (Mr. Sutherland) will admit that this is a proposition of very recent growth. The Minister of Justice has just presented to the House a very learned argument to show that at common law the position of woman was not the position of man, and she could not claim the privileges which have been, ever since the origin of the British Constitution, the privileges and the rights of the male sex. In fact, it is only within a very recent period, not anterior to the last days of the eighteenth century, that the declaration was heard in the civilized world that in no way was woman the inferior of man.

I think the man who, in the last century, brought the matter more forcibly to the attention of the civilized world than any person else was John Stuart Mill. Other writers before him had taken the same position, but he it was who brought it to a climax by promoting a very active and very important agitation in Great Britain in favour of extending to women the same rights, particularly in regard to voting, as were extended to men. The agitation has been of long duration; everybody knows that the idea has been of very slow growth and that in England it is only within the last year or so that the principle has been at last conceded that women ought to have the same privileges as men in regard to the franchise. As has been stated by my hon. friend from St. John (Mr. Pugsley), the recognition of the fact that women should have the same rights as men was made subject in England to a qualification by which women are still placed in a position of inferiority in that a man can become a voter at twenty-one years of age, but a woman must reach the age of thirty years before she can exercise that right.

[Sir Wilfrid Laurier.]

In the outlying parts of the British Empire the idea has made much more rapid advance; in fact, in Australia and in New Zealand for many years past women have exercised the right to vote and as far as my information goes the system has worked satisfactorily. In our own country the idea has also progressed, but it has progressed on geographical lines, so to speak. In the West the idea is universally accepted. In British Columbia, in Alberta, in Saskatchewan, in Manitoba, in Ontario, in all of these provinces, women are to-day granted the same privilege as the male sex with regard to voting. East of the province of Ontario the idea has made no progress whatever. In Quebec, while women have the right of voting in municipal elections under certain conditions, in so far as provincial and Dominion elections are concerned, the idea has never been entertained or even agitated. The same condition, I think, prevails in New Brunswick and Prince Edward Island. In Nova Scotia, while the idea has been agitated, by a recent vote of the legislature, the privilege has been denied to women. It is only within the last six or seven weeks that a resolution was introduced into the legislature of Nova Scotia to give to women the same rights as men in political matters and the motion was voted down.

Now, the question arises, to which I shall come in a moment, whether or not the privilege having been given to women in five of the provinces of the Dominion, women have the right to take part in Dominion elections as well as they have to take part in provincial elections. But whilst I shall come in a moment to the argument which has been presented by my hon. friend. I would say that the debate is not confined to the proposition whether or not women in the provinces in which the franchise has been granted, that is to say British Columbia, Alberta, Saskatchewan, Manitoba and Ontario, have a right to vote in Dominion elections, but the question goes much farther. The resolution is to the effect that the privilege of voting should be given to the women in every province of the Dominion. This is the resolution of my hon. friend from South Oxford (Mr. Sutherland):

> That, in the opinion of this House, the question of extending the franchise to women should engage the attention of the Government at the present Session.

I would observe immediately that whilst everybody would agree that it would be

right, in view of the argument of my hon. friend from South Oxford, that women should be given the same privilege as men, they should not be given more privileges than men. The idea which would prevail if this resolution should pass would be that this Parliament would give to women the right to the franchise when Parliament has refused to give the same right to men because it has accepted the franchise in regard to men from the provinces.

This debate presents to our consideration the question as to the body which, under our constitution, should be given the privilege of regulating the franchise. Should it be the Dominion Parliament or the local legislature? It goes without saying that every legislative body should have the right to determine the franchise under which it is elected. Every legislature has that right, as an historic right, unless it is deprived of it by the letter of the constitution itself. I would call the attention of the House to the fact that the United States Congress has no authority at all over its own franchise, and that it cannot legislate as to who shall be the electors to choose the members of Congress. That right is relegated to the state legislatures. Here is the American constitution:—

All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives.

Section 2:

The House of Representatives shall be composed of members chosen every second year by the people of the several States, and the electors in each State shall have the qualifications requisite for the electors of the most numerous branch of the State Legislature.

I would like the House to remember that the great legislative body of the United States, one of the most powerful legislative bodies on the face of the earth, has no control whatever over its own electors and must take them as they are provided by every state. There may be a different franchise in each of the forty-five states of the Union. In some they have woman suffrage, in others they have not; in some they may have a wide franchise and in others a restricted franchise, but the fathers of the American Constitution were of the opinion that after all the body best suited to determine the qualification of voters was the local state legislature. Under our own Constitution it is very different. Our own Constitution gives us absolute power in this Parliament to determine what shall be the franchise under which the members of this House shall be elected. Section 41 of the British North America Act says:—

Until the Parliament of Canada otherwise provides, all laws in force in the several provinces at the Union relative to the following Matters or any of them, namely:—the Qualifications and Disqualifications of Persons to be elected or to sit or vote as Members of the House of Assembly or Legislative Assembly in the several Provinces, the Voters at Elections of such Members, the Oaths to be taken by Voters, the Returning Officers, their Powers and Duties, the Proceedings at Elections, the Periods during which Elections may be continued, the Trial of Controverted Elections, and Proceedings incident thereto, the vacating of Seats of Members, and the Execution of new Writs in case of Seats vacated otherwise than by Dissolution,—shall respectively apply to Elections of Members, to serve in the House of Commons for the same several Provinces.

Nothing is clearer than that language. Until the Parliament otherwise provided, all the laws of the provinces with regard to franchise, not only those which existed at that time, in 1867, but those which might be enacted from time to time, we were to form the franchise which would apply in every province for the elections of members to this House. These laws were to constitute the provincial franchise, and were also to be the franchise on which, in any of these provinces members of this House were to be elected. This provision remained in force until 1885. The members of this House, from the 1st of July, 1867 until the session of 1885, were elected under the provincial franchise, such as it was in every province. In 1885 this Dominion Parliament passed a Dominion Franchise Act and constituted a franchise of its own for the election of members of this House. This law remained in force until 1898. In 1898 it was repealed. I may say—and I do not know whether or not this will meet with the approval of hon. members opposite, although I think they will agree—that to a large part of the population the Act of 1885 was not satisfactory. It was not found to work harmoniously. In 1898 it was repealed, and we returned to the provincial franchise, and I am not aware that there has been since then any objection to the franchise. From 1898 up to this date the franchise for the election of members of this House has been the franchise of each province, as it might be enacted from time to time. Everybody is aware that the local franchises were not like the laws of the Medes and Persians, they were frequently amended. Let me recall an amendment with which the members from the province of Ontario are very familiar. At one time, when we had the property qualification for voters, before we had, as we have now in almost all the provinces, universal manhood suffrage, an important amendment was passed in On-

tario to give the sons of farmers the right to vote. It so happened that, in many a household, the farmer had one or two sons, grown up men, working with him on his farm, who had not the franchise. The law very properly gave it to them, and they qualified on the real estate of their father.

I listened with interest to the speech of the hon. member for South Oxford (Mr. Sutherland). It was on a very broad scale and a very high plane, and I have no fault to find with the sentiments he uttered. But I would ask my hon. friend and every member of this House to agree with me that the place to regulate the franchise, bearing in mind the provision of the British North America Act that this Parliament can exercise powers for the peace, order and good government of this country, is not in this House but in the local legislature. The franchise is a right which can not be granted upon a universal scale. Our peace, order and good government depend largely upon the local conditions in each community. There are communities in which woman franchise can be exercised properly and others in which it could not. Let me take one or two cases. In France, for instance, where assuredly women have reached a very high mental level, just as high as in any other country, there has never been any demand from any body of men or any large body of women to have the franchise granted to women; while on the other side of the channel, in England, there has been an agitation which has lasted for years and which has sometimes taken a very acute form, sometimes has gone very far, to a dangerous extent even, to have women given the franchise. Why is that? It is a matter of education; and by education I do not mean simply the intellectual development of the mind, I mean social conditions, domestic conditions, and all those things which lead a class of the community in a certain direction. In England, where representative institutions have been in force for centuries, women to-day and for a long time past, at least since the middle of the last century, have taken a very active interest in political matters. In France women have not taken the same part, and so while you have on the two sides of the channel two of the most civilized nations of Europe, on one side there is the desire, which has taken a very acute form, to have the franchise given to women, and on the other side, in France, the question has never become a matter of serious discussion, although some ladies have attempted to bring it up.

Another consideration which goes to show that the franchise is largely a matter of education is this: I shall contrast what has taken place in Ontario not later than a few months ago, during the last session, when women were granted the franchise, and what has taken place in some states of the American Union. After all, we are very close to the United States. Their conditions are very much our own, their people are of the same birth and blood and of the same education as we are. In Ontario, where the franchise was granted to women a few months ago, only a few weeks ago a motion was made to make women eligible for membership in the legislature, and the very same legislators, the very same men who five minutes before had given the franchise to women, refused to make them eligible for membership. I do not say that was wrong, but it is the case. On the other hand, in the Congress of the United States there is a lady who is a member of Congress from the state of Montana. I believe that in several states of the Union women are eligible, as well as being electors. In Ontario they consented to make them electors, but would not make them eligible. What argument do I take from this? The argument I take from this is that the franchise and all the consequences of the franchise are largely matters of education, of local conditions, of local sentiment, and that it is therefore better to have these matters determined by the local legislatures than by this Dominion Parliament. May I give another example to which I alluded a moment ago? I referred to the province of Nova Scotia, as bright and intelligent a community as there is on this continent—everybody will agree in that. The province of Nova Scotia would not do what was done in the province of Ontario. Just about the time that the province of Ontario voted to give the franchise to women, the province of Nova Scotia voted not to give it. I would ask my hon. friend from South Oxford if under such circumstances, he would think it would be conducive to the peace, order and good government of this country that we should force on the province of Nova Scotia woman suffrage when that province has declined to grant it for local purposes?

Mr. SUTHERLAND: Did the legislature vote on that matter, or was it submitted to the people?

Sir WILFRID LAURIER: It was the legislature, I understand.

Mr. SUTHERLAND: The ladies themselves had no say in the matter?

Sir WILFRID LAURIER: No, they did not have any say in the matter, because the local legislature refused them the right. After all, these matters have to be decided by the legislature. While I admit the broad principle that the franchise is a provincial matter, I go further and say that in every province where the legislature has given to women the right to vote in provincial elections, they should be allowed to vote in Dominion elections also. The hon. Minister of Justice presented a very able argument to show that while in the provinces of Ontario, Manitoba and British Columbia the women have the right to vote in provincial elections, they have not the right to vote in Dominion elections. As the hon. member for St. John city has stated, though the women in the provinces of Manitoba, Saskatchewan and Alberta have the right to vote in provincial elections, they have not the right to vote in Dominion elections. With all respect to the Minister of Justice, may I present this view: in my humble judgment the contention which he has made is too narrow and of too technical a construction. My hon. friend, basing his opinion upon very learned authorities, argues that at common law women had not the right of suffrage, and that when in 1898 we reverted to the franchise adopted by the respective provinces, we could not have contemplated that in the future women might have that franchise. The answer to that is to be found in two sections of the Act which are reproduced in chapter 6 of the Revised Statutes, and which define the qualifications of voters in Dominion elections. I quote section 10:

> The qualifications necessary to entitle any person to vote at a Dominion election in any province shall, except as herein otherwise provided, be those established by the laws of that province as necessary to entitle such person to vote in the same part of the province at a provincial election.

My hon. friend argues that at that time Parliament could not have contemplated the extension of the franchise to women. I say that Parliament did contemplate that, because in section 32 of the same Act these words appear:

> In the Provinces of Saskatchewan and Alberta, except as in this Act otherwise provided, every male person shall be qualified to vote.

In the first section which I read, it is stated that every person, other than persons who are excepted, shall have the right to vote. If in any one province, only persons who are males have the right to vote for members of this Parliament I would say that in every other province, only persons who are males should have a like right. That would seem to me to be a reasonable conclusion, it makes our franchise to this Parliament uniform in that respect.

The Minister of Justice stated with much candor that he has not given to the matter all the thought which he would have given to it if he had expected to take part in this debate. There is another view, therefore, which I should like to present. In 1898, exercising our supreme and sovereign power to define the nature of the franchise to be exercised in Dominion elections, we determined to accept the provincial franchise. We decided that the franchise under which every member of the House of Commons should be elected should be the franchise of the province from which he came. If he comes from the province of Ontario, the franchise shall be that of the province of Ontario; if from the province of Quebec, the franchise under which he is elected shall be the franchise of that province. I submit, not as a violent legal supposition, but as a matter of common sense, that, having chosen to accept the franchise created by the respective provinces, we decided to take the franchise not merely as it existed then, but as it might exist at any time in the future. If therefore the franchise of any province is different to-day from what it was in 1898, under the legislation then enacted, we take the franchise as it is to-day, and we have said that we shall accept it as it exists to-morrow, next year, or at any time. It seems to me that this is a reasonable interpretation of the statute. It may or may not be a legal interpretation. I was a lawyer in my day, and I know that it is rather presumptuous to interpret the law, because the law should be interpreted by the courts. But if my hon. friend has any doubt on this point, the peace, order and good government of Canada require that we should make it clear that in all the provinces which have given the franchise to women in respect of provincial elections, the franchise should be given to women for Dominion elections as well. I would not go beyond that. I do not care, for instance, to give the franchise to the women of my own province. I belong to a gallant race, which, I think, always takes a fair view in matters pertaining to the female

sex, but I do not want to give the franchise to the women of my own province, because they do not seem to desire it. But in Alberta, Saskatchewan, British Columbia, Ontario, we should give the franchise to women in respect of elections to the House of Commons. As to Saskatchewan and Alberta, the franchise has been granted to women in respect of Dominion elections.

In this debate, and also on a previous occasion, when the matter was discussed, I heard the opinion expressed that we should have in Canada a double electorate, one for the Dominion House of Commons, which would decide national issues, so to speak, and another to dispose of local matters. In my estimation, nothing would be more detrimental to the unity of our country. We have already too many divisions, and it would be most inadvisable to create another. Moreover, the constitution does not contemplate anything of the kind. The constitution contemplates that there should be a Dominion Legislature, and provincial legislatures representing the same electoral body. In one legislature certain classes of questions are to be determined; in the other domestic questions are to be determined; but it is not one electorate to deal with certain questions and another electorate to deal with other questions; it is the same electorate to dispose of the different classes of questions, one class being assigned to one legislature and the other being assigned to the other legislature, and it is in this view that I think we must persevere. Up to the present I believe nothing but the best effect can result from having the same electorate determine all questions, great or small, which come before it. I would for my part depreciate it extremely if we were to say to one class of the people of this country: You are good enough; we can make you British subjects, but we will not give you the privilege of British subjects. In my judgment nothing could be more detrimental to the future of Canada than that. I throw out this suggestion en passant. I hope the question will not come before the House; but on the present occasion, it is sufficient to suggest that if there be any doubt at all, the law should be amended so as to put it beyond doubt that in all the provinces of the Dominion in which women have the franchise in provincial matters, they should have the right to exercise the franchise not only in provincial matters but in Dominion matters.

[Sir Wilfrid Laurier.]

Sir ROBERT BORDEN: Mr. Speaker, if I may deal for a few moments with some of the contentions which my right hon. friend has advanced, I will then proceed to the general question which was discussed at some length by the hon. member for St. John (Mr. Pugsley). My right hon. friend (Sir Wilfrid Laurier) in his opening remarks, said that whether or not women should have the same right as men, they certainly should not have greater rights. I do not quite understand the significance of that remark, because if the franchise should be extended to women in all the provinces of Canada, they would not be exercising any greater rights than the men; they would be exercising precisely the same rights by having a voice in the selection of members of this House. My right hon. friend also alluded to the fact that the constitution of the United States is different from our own in this respect: that this Parliament has complete and absolute power in the determination of the electorate which shall select its members, whereas in the case of the United States Congress the electorate is determined by the law of each State. I do not know whether my right hon. friend intended to suggest by that that although our constitution gives to this Parliament greater powers in that respect than that enjoyed by Congress, we should nevertheless follow the principle embodied in the constitution of the United States rather than that embodied in our own constitution. If my right hon. friend intended to suggest that, I for one would not be inclined to agree with him. He also alluded to the fact that in the British North America Act there is to be found a provision which says that, until the Parliament of Canada otherwise legislates, the qualifications of electors shall be those which were in force in the several provinces at the time of Confederation as amended from time to time by the provincial legislatures. Provisions of a similar nature with regard to other subjects are to be found in the British North America Act; provisions of a similar nature are to be found in the Constitutional Acts of Saskatchewan and Alberta. The purpose of those provisions is perfectly obvious; it was to prevent any hiatus during the period which must intervene before the newly-created legislature could exercise its functions. That and nothing more, so far as I understand, was the purpose of those provisions.

In answer to the Minister of Justice my right hon. friend took the ground that sections 10 and 32 of the Dominion Elections Act make it perfectly clear that the view put forward by my hon. friend from St. John is the correct view and that the opinion given by the Minister of Justice is inaccurate for the reasons stated. My right hon. friend said somewhat definitely and distinctly that women were clearly in contemplation when the Dominion Elections Act was passed, and he cited those two sections which I will take the liberty of reading again. Section 10 says:

9 p.m.

> The qualifications necessary to entitle any person to vote at a Dominion election in any province shall, except as herein otherwise provided, be those established by the laws of that province as necessary to entitle such person to vote in the same part of the province at a provincial election.

When my right hon. friend bases an argument upon that, he begs the question, because the question raised by the Minister of Justice was as to the meaning of the word "person." If the argument of the Minister of Justice is correct in that respect, then the view put forward by my right hon. friend falls to the ground, because it comes back to the meaning of the word "person" as used in the Statute; and when he bases upon section 10 the view that qualifications are to be established by the province in respect of women as well as men and that the qualifications so established shall be binding upon this Parliament until it otherwise legislates, he leaves entirely out of view the fact that all that argument depends upon the meaning which you are to give to the word "person" as used in that section.

Then he alludes also to section 32, and he founds an argument upon the fact that in that section the expression "every male person" is used. It can hardly have been within the contemplation of Parliament, when this legislation was passed, that women should be entitled to vote in one part of the country and should not be entitled to vote in another part. It seems to me that the argument which my right hon. friend conceives to be in his favour is entirely against him, because it is abundantly evident from this statute that no such distinction as that which my right hon. friend seeks to draw was ever intended. The use of the words "every male person" in section 32 strengthens rather than weakens the argument of the Minister of Justice with regard to the word "person." It cannot have been in contemplation by the Parliament of Canada in enacting this legislation that if provincial legislation in Ontario or British Columbia should grant the franchise to women, they should become entitled to vote at federal elections, whereas, if the provincial legislatures of Saskatchewan and Alberta should do the same thing, the women there should not be entitled to the franchise, in both cases it being presumed that no further legislation had been enacted by this Parliament. I venture to think that the argument advanced by my right hon. friend in that regard is not an argument in his favour, but is an argument in favour of the view put forward by the Minister of Justice.

My right hon. friend seems to be under the impression, as the hon. member for St. John also seemed to be, that we have adopted absolutely the qualifications established in the several provinces of Canada. I would like to point out that we have done nothing of the kind. We have accepted their qualifications for the time being, and in accepting those qualifications, we have been acting under the provisions of the British North America Act. We have simply taken for the time being the qualifications established by the provincial legislatures, but we have not taken them in their entirety, because section 11 makes this provision:

> No person possessed of the qualifications generally required by the provincial law to entitle him to vote at a provincial election shall be disqualified from voting at a Dominion election merely by reason of any provision of the provincial law disqualifying him from having his name on the list or from voting,—
>
> (a) the holder of any office; or,
>
> (b) any person employed in any capacity in the public service of Canada or of the province; or,
>
> (c) any person belonging to or engaged in any profession, calling, employment or occupation; or,
>
> (d) any one belonging to any other class of persons who, although possessed of the qualification generally required by the provincial law, are, by such law, declared to be disqualified by reason of belonging to such class.

My right hon. friend says that this ought to be a matter for local consideration and determination in every instance. The legislation which he brought down in this Parliament and which was enacted lays down a different principle altogether. It declares that notwithstanding the determination of a provincial legislature, certain persons shall have the right to vote although the provincial legislature declares they shall not enjoy that right. This Parliament, in dealing with the question, looked at it from a broad federal standpoint, and not from a

provincial standpoint alone. It accepted the qualifications established by provincial legislatures with certain exceptions, which I have just read, and as to those exceptions it said that the will of this Parliament should prevail and not the will of the provincial legislature.

But I do not stop there. I have dealt with a portion of this enactment, which says that certain disqualifications which may from time to time be enacted by a provincial legislature shall not prevail so far as the right to vote for members of this House is concerned. I can turn to another section and show, as was pointed out this afternoon by the Minister of Justice, that certain persons whose names may appear on the provincial list shall nevertheless not be qualified to vote at elections of members of this House. I allude to Section 67, which declares:

67. The following persons shall be disqualified and incompetent to vote at any election:—

(a) the judges of every court whose appointment rests with the Governor in Council;

(b) Persons disfranchised for corrupt practices under this Act;

(c) Persons disfranchised under the Disfranchising Act;

(d) Any person who at the time of an election is a prisoner in a gaol or prison undergoing punishment for a criminal offence, or is a patient in a lunatic asylum, or is maintained in whole or in part as an inmate receiving charitable support or care in a municipal poor house or house of industry, or is an inmate receiving charitable support in any institution receiving aid from the government of the province under any statute in that behalf.

Then follows a provision disqualifying any person who hires a horse, cab, or other conveyance to carry voters to the polls. So that even in the legislation alluded to the provincial enactments have not been followed precisely. Certain exceptions have been made by which persons disqualified under provincial enactments are permitted to vote at elections of members of this House. There are also certain disqualifications which prevent persons whose names appear on provincial lists from voting at a Dominion election.

To come more particularly to the general question, my hon. friend the member for St. John has paid a very glowing tribute to the women of Canada for all that they have contributed to the national effort in this war, and I am sure that all of us will agree with the very eloquent expression of appreciation which fell from his lips. He followed that up by saying that this service to the state made it abundantly clear that the women of Canada were entitled to a voice in the government of the country. But after making those eloquent references he followed with the somewhat lame and impotent conclusion that we should not give them the franchise for this Parliament unless their province had given them the franchise for provincial purposes. Now, if the principle which my hon. friend laid down is a good one, it seems to me that by no means does it lead to the conclusion at which he ultimately arrived, and I was very greatly surprised that a gentleman of his great legal acumen and thoroughly logical mind should have followed up such a premise with such a conclusion. So far as that is concerned, if the franchise should be granted to the women of Canada, I would not put forward the view that it is to be given to them as a reward for service. Their service has been given from the heart, from a sense of duty, from devotion to their country and to the cause which it represents. They gave that service with no idea of seeking any such reward as this, or any reward at all; they gave it from a sense of duty. I would put forward their claim to a voice in the government of this country because in the great national emergency which confronts us at this time, and which involves not only the effort of the men fighting at the front, but the whole national effort of the country from men and women alike, they have showed themselves worthy to take a part in the government of this country, and they have thereby made abundantly clear what I believe was clear before, their right to a voice in the government of the country in which they live.

My hon. friend from St. John has alluded to the experience of other countries. We have the experience of other countries, of Australia and New Zealand, for instance. The right hon. gentleman himself stated that the result of granting the franchise to the women of Australia and New Zealand had, as he believed, been satisfactory; I myself have never heard anything to the contrary. He took the point that this is more or less a matter of local concern, a matter on which public opinion is slowly being educated, and he seemed to apprehend grave consequences from the granting of the franchise to women in those portions of our country where the question of their right has not been greatly agitated. I do not appreciate the force of that view. My right hon. friend spoke of the peace, order and good government of Canada. What disorder, what injurious results are to be apprehended from giving to the women of Canada the right to exercise their franchise? It does not appear to me that there is any grave danger of public disorder if we should

give to the women of every province of Canada the right to vote in federal elections. I know that a great many reasons, more than I would venture to recall to-night, have been put forward against any such proposal. The inability of women to bear arms in defence of their country, the supposed loosening of family ties, the view that it is the head of the family who should represent it, the danger of emotional legislation—all these and many other considerations have been put forward against the view that women should be given the vote. But for my part, I do not think that any serious danger is to be apprehended on any such score. If we should deny the right to vote to all those incapable of bearing arms in defence of the country, we should cut out a great many men, even men of military age. But no one would pretend for a moment that any such principle as that should be followed. And so I think, with regard to all these considerations I have mentioned and which come to my attention at the moment, they might safely be disregarded. More than that, in the English-speaking countries and communities of this Empire, which enjoy democratic institutions, I believe there is an irresistible tendency to give to the womanhood of the Empire the right to have an adequate voice in government, and I believe that that tendency will act with increasing force until all the women of the Empire shall have the right to vote in the selection of those who are to represent them in the Parliaments of the nation and the Empire.

In this country we have a very peculiar position. The Parliament of Canada has seen fit, in the exercise of its complete and absolute power over this subject, to say that for the time being the qualifications which are established in the various provinces shall govern in Dominion elections. Five provinces of Canada have given the franchise to women in provincial elections. I shall not go further into the question as to whether women have the right for that reason to vote in Federal elections, because that has been dealt with by the Minister of Justice (Mr. Doherty) whose view on that point must be accepted by the Government.

The question then comes before this Parliament as to what is to be the situation in the future. Are we, as suggested by hon. gentlemen on the other side, to make any necessary legislative provision that the women of those provinces, but not in any other province of Canada, shall be entitled to vote at Federal elections, or shall we say that in dealing with questions of this character we ought to act upon some principle, and not commit ourselves blindly to follow what may be the popular opinion in any particular province at any particular time? I do not know how far my hon. friends opposite who have spoken would go in that direction. If Manitoba or British Columbia should repeal the enactment granting the franchise to women, should this Parliament immediately follow suit and deprive them of the right to vote in Federal elections?

Mr. PUGSLEY: No danger of their ever going back.

Sir ROBERT BORDEN: Are we to surrender our conscience and our opinions entirely to the dictates of the provincial legislatures in this regard? We have not done so in the enactment already quoted, because there is a distinct provision in one of the sections that no person shall be disqualified by:

> —belonging to any class of persons who, although possessed of the qualifications generally required by the provincial law, are, by such laws, declared to be disqualified by reason of their belonging to that class.

I venture to say that this question is one that must be dealt with on the basis of principle, and not on the basis of surrendering our views absolutely to the dictates of any provincial legislature. It has been considered convenient, and it may be convenient so long as the qualifications established generally in the various provincial legislatures concur with the view entertained by this House, to leave these matters subject to our supervision from time to time, to be determined in that way. I do not say that this has always been the view of my right hon. friend (Sir Wilfrid Laurier) —for I remember very well that in 1907 he brought in a Bill which made provision for disregarding the voters' lists in the province of Manitoba and the northern part of the province of Ontario. He proposed to depart from that local view which he now advocates so strongly, by providing that the lists prepared in Manitoba should not be taken into account in the Federal elections, but that absolutely new lists prepared by officers under his direction should be the lists in Manitoba for Federal elections. And so with regard to the unorganized districts in northern Ontario. He was not content to accept the local view at that time, but desired that the broad Federal view should be taken with regard to these districts. So I am not sure

that the local idea is as firmly embedded in the right hon. gentleman's mind as he thinks it is.

Sir WILFRID LAURIER: The local idea then was in the mind of my right hon. friend (Sir Robert Borden). He may have changed since.

Sir ROBERT BORDEN: I took the ground very deliberately, and I repeat it now, that if the provincial lists were to be accepted in all other provinces of Canada there was no reason why they should be disregarded in Manitoba and the northern part of Ontario. I do not think any good reason was ever advanced by my right hon. friend for taking that course, and eventually, after a very protracted fight, he withdrew his proposal so far as Manitoba was concerned, and accepted certain modifications, so far as northern Ontario was concerned.

I entirely agree that this question of enfranchising women is one that ought to engage the serious attention of Parliament. I am not going to commit myself with regard to the necessity or desirability of a Dominion franchise. I hope no such act may be necessary. I do not say that it may not become necessary. I have not brought forward any measure since we have been in power, to interfere with the Act of 1908; we are content to leave matters as they are. But I do think that the question now under debate is a very important one, and one that ought to engage the attention of Parliament before any appeal is made to the country. I entirely agree with that, but I am not quite satisfied with the terms of the resolution which my hon. friend from South Oxford (Mr. Sutherland) has proposed. His resolution is in these words:

> That, in the opinion of this House, the question of extending the franchise to women should engage the attention of the Government at the present session.

All questions as to the electorate which shall elect the members of this House are peculiarly questions for Parliament itself. The legislation in such matters is generally, and naturally, introduced by the Government of the day but it is a question in which Parliament itself is primarily concerned. I would therefore suggest the following amendment which will be an amendment to the original motion, if the amending motion proposed by my hon. friend from St. John should be declared out of order, or, if it is declared to be in order, it will be an amendment to his amendment:

> That all the words after the word "that" in the proposed motion be omitted to the end thereof and the following substituted therefor:
>
> In the opinion of this House the question of extending the franchise to women should engage the attention of Parliament before an appeal to the people is made.

I do not think there can be any question as to the propriety of that resolution whether the view which has been put forward by my hon. friends on the other side of the House, or the view which has been put forward by this side of the House, should be accepted. In either case it is abundantly clear that the subject should engage the attention of Parliament and I think it should engage the attention of Parliament so that the legislation which Parliament in its wisdom may see fit to enact should go into force before any general election is held. I therefore leave the matter at that with this motion which I propose either in amendment to the original motion or in amendment to that proposed by my hon. friend from St. John depending upon the decision that you may give, Mr. Speaker.

Mr. SPEAKER: This amendment having been submitted by the right hon. the senior member for Halifax (Sir Robert Borden), it becomes necessary to give a decision upon the amendment submitted by the hon. member for St. John (Mr. Pugsley). I indicated this afternoon that in my judgment, for reasons then given, the amendment of the hon. member was not in order, and having taken some time to reflect upon the matter, I see no reason to change my mind. Therefore, for the reasons indicated, in my opinion, the amendment of the hon. member (Mr. Pugsley) is not in order and the right hon. member (Sir Robert Borden) is in order in submitting this amendment to the House as an amendment to the original motion.

Mr. W. M. GERMAN (Welland): Mr. Speaker, in view of your ruling, I am not quite sure whether or not it would be in order to discuss the questions which have been discussed during the afternoon and so far this evening. I might encroach upon the time of the House, with your permission, to say a few words on the line of the discussion as it has taken place so far. The right hon. the Prime Minister (Sir Robert Borden) has moved an amendment to the motion of the hon. member for South Oxford (Mr. Sutherland) which it seems to me is rather meaningless, with all due deference to the right hon. gentleman. The

original motion is that the question of female, or woman, suffrage should receive the attention of the Government. The amendment of the right hon. gentleman is that the question of female suffrage should receive the attention of Parliament before the next general election. If it is to receive the attention of Parliament before the next general election, I apprehend it should receive the attention of Parliament now because it is very questionable to my mind as to whether or not there will be another session of this Parliament. Now is the accepted time, in my opinion. However, I did not rise to discuss that phase of the situation but I wish to say that if the legal opinion expressed by the hon. Minister of Justice (Mr. Doherty) this afternoon and to-night is good law, it will come with a great degree of astonishment to the people of Ontario. The legislature of Ontario at the last session passed an Act giving votes to women. If the opinion expressed by the Minister of Justice is correct, those women will not have a vote for members of the House of Commons in the Dominion elections. The right hon. the Prime Minister rather skated around that proposition quietly and easily and I am not surprised because I understand—I have been told—it may be incorrect—that he stated to a delegation of, perhaps, not suffragettes, but ladies who were interested in securing votes, that they must go to the provincial legislatures. Consequently his opinion was not in accordance with that of the Minister of Justice. But I can easily understand that the Prime Minister, in speaking to a delegation of ladies, might not depend altogether on his legal acumen to endeavour to placate their peculiarities. The Minister of Justice has cited some authorities in support of the contention that he made. But how any one could hold that a person legally entitled to vote in a provincial election, barring the exceptions and disqualifications which are made by statute, cannot vote for a member of the Dominion Parliament, I cannot understand. This is section 6 of the Dominion Elections Act:

> For the purposes of any Dominion election held within the limits of a province, the voters' lists shall, except as herein otherwise provided, be those prepared for the several polling divisions established, and which, on the sixtieth day next preceding the day fixed for the nomination of candidates for such Dominion election, were in force, or were last in force, under the laws of the province, for the purposes of provincial elections.

The provincial voters' list is the list that is to be used for the purpose of the election.

I quite agree with the Minister of Justice that that only pertains to the voters lists, and that on that list there may be names of men who are not entitled to vote, who are disqualified by statute, because the Dominion Elections Act itself suggests who are disqualified:

> The following persons shall be disqualified as incompetent to vote at an election.

Those are disqualified by Act of Parliament. There are certain persons disqualified by Act of the legislature who cannot vote. But women are not disqualified by Act of Parliament or by Act of the legislature. Then what is the qualification for a Dominion election?

> The qualification necessary to entitle any person to vote at a Dominion election in any province shall, except as herein otherwise provided,—

"Herein otherwise provided" refers to the disqualifications mentioned in this Act.

> Except as herein otherwise provided, be those established by the laws of that province as necessary to entitle such person to vote in the same part of the province at a Provincial election.

The provincial legislature has the right to say who shall be entitled to vote, and their names are on the voters' lists. Those lists are adopted by the Dominion Parliament, whether properly or improperly it is not necessary to say now, nor is it necessary to decide whether there should be a Dominion Franchise Act or not. The question that we have to discuss now is, are the women who have been enfranchised by the provincial legislature of the province of Ontario entitled to vote at a Dominion election. I say most emphatically that they are, and if they are not, then I say to the right hon. the Prime Minister of this country (Sir Robert Borden) that he must not wait, so far as the province of Ontario is concerned, for a further discussion of this matter, but must make it emphatic by legislation at this session of Parliament that these women are entitled to vote, because that is the intention of the people of Ontario, whether it is right or whether it is wrong. I am not saying—whether I am in favour of women suffrage or against women suffrage—that is another question. But the people of the province of Ontario are in favour of woman suffrage; they have by their legislature unanimously enacted that the women of the province of

Ontario shall vote, not only in provincial elections, but also in Dominion elections and for Dominion candidates. If, under the law as it stands at present, those women will not be entitled to vote for Dominion candidates, then it is incumbent on this Government to make that absolutely clear during this session of Parliament, and not to wait for any other session of Parliament to discuss this question or the further question of whether we should have a Dominion Franchise Act, if it is the intention of the Government to introduce such as an Act at a later stage. That we can discuss later on. So far as the vote for women is concerned, every one admits that the intelligence of women is equal to that of men; that women have just as broad a grasp of the political situation and the business situation of the country as men have, and that, so far as intelligence goes, they are equally capable of exercising the franchise with men. The Legislature of the province of Ontario saw fit to give these women the franchise, and if there is any doubt about it, as the Minister of Justice has expressed a doubt this afternoon, then it is incumbent on this Government to remove that doubt, and to remove it at once.

Sir WILFRID LAURIER: Hear, hear.

Mr. GERMAN: It would be a catastrophe, to my mind, if a Dominion election should be held and in the province of Ontario a doubt should exist, as one will exist after the speech of the Minister of Justice. It did not exist before, because every one believed that women would have the right to vote. The Minister of Justice has thrown into the matter now that measure of doubt, and that measure of doubt must be removed, should be removed at any rate, and this Government should remove it. What would happen if a Dominion election was held and nothing further had been done, matters standing exactly as at present? The voters' list in the province of Ontario would be made up with the names of all the women of the province of Ontario over twenty-one years of age upon it. Those women would go to the polls and demand the right to vote; they would be told by the deputy returning officers at the different polling places: You have no right to vote, and you cannot vote because the Minister of Justice of the Dominion of Canada has announced from his place in the Parliament of Canada that it is contrary to law for you to vote. That would be a most absurd proposition. I have nothing further to say on the question than that, and it is, to my mind, sufficient to put the Government on inquiry. The women have the right to vote or they have not. It was the intention of the legislature of the province of Ontario to give them the right to vote. If, by reason of the interpretation of the law as expressed by the Minister of Justice, they have not the right to vote, then I call on the Government of the Dominion of Canada to rectify that and to give them the right to vote, and to give it to them now.

Mr. R. B. BENNETT (Calgary): Mr. Speaker, no question has more engaged the attention of Parliaments than that affecting the franchise. In England parliamentary history is filled with reminiscences, if I may use that word, of debates on the franchise in by-gone days. Whether it be the famous observation of "dishing the Whigs" by extending the franchise in one Reform Bill, or the declaration of Disraeli of that principle of household franchise which he thought would settle the whole matter, or the last Bill introduced by Harcourt for one man one vote, the franchise has always been a subject matter of much controversy and discussion. Nor has this country escaped that controversy and discussion. But it does seem to me that there are certain fundamental principles, notwithstanding what has been said here this evening, that well may guide us, that may well be kept in sight in determining how we shall decide who are to have the right to vote on national questions, or for members who shall sit in this House. There are certain fundamental matters that have been settled by statute history in this country. The first is that, when this Confederation came into existence, it was necessary to provide some franchise whereby members could be elected to this Parliament, and naturally, as in other matters, it was necessary to take the established franchise lists of the provinces that comprised Confederation. That was period number one. The second period in point of history was that period that commenced in 1885 and terminated in 1898, a period comprising some thirteen years. That was the time when we had in force a Dominion Franchise Act passed by this Parliament. During that time it was written upon the statute books that the Parliament of Canada would itself determine what should be the qualification of the electors who sent members to it. That was a Dominion franchise Act. That was an Act whereby, for national purposes, it was determined that certain men should have the qualification of electors for Parlia-

ment. The third period in our history commenced in 1898, and extends up to the present time. In that period the franchise of the provinces was adopted, but the provinces did not make the franchise whereby members were elected to this Parliament. This Parliament determined what the qualifications of an elector should be, but for the purposes of determining those qualifications it was enacted that the various qualifications in force in the provinces should obtain with relation to the election of members to this Parliament. But, unfortunately, another period intervened between 1898 and 1917. That was the period during which hon. gentlemen opposite, for reasons that seemed good and sufficient to them, introduced, in 1907, and threw into this Parliament for discussion a Bill whereby it was declared that with respect to two portions of this Dominion the principle that they had laid down in 1898 should no longer obtain and that a new principle should be introduced and followed. That Bill did not pass; it was withdrawn, except with relation to the unorganized portions of Ontario. But it is valuable to look back upon that history of 1907, because it establishes a principle for which I contend, namely, the recognition on the part of hon. gentlemen opposite of the absolute right—not only the right, but the duty—of Parliament to determine the qualifications of electors who should send representatives to this Parliament. Therefore upon that point we are on common ground. The Liberal party of 1907 enunciated a principle similar in terms to the principle enunciated by Sir John A. Macdonald in 1885, namely, that for the purposes of selecting members to represent them in the House of Commons the qualifications of electors should be determined in the Parliament in which they sat. That principle, therefore, seems to be common ground. Speaking for myself only, I desire to say that I have never for a single moment changed my view since I have been old enough to think logically on the subject, and that view is that this Parliament should fix and determine the qualifications of those who elect members to this body. I said the other evening and I desire to repeat it, that it is perfectly clear that for the purpose of selecting members to a municipal council or to a provincial legislature, it is competent for and the duty of the municipal council or the provincial legislature to fix the qualifications of its electors. Under the British North America Act, section 92, defining the powers of the provinces, the provinces are charged with responsibility with respect to matters of local interest. It is no concern of the province to deal with those matters of national import upon which must always rest the destiny and future of this nation. But with respect to the federal powers, it is only necessary to turn to section 91 of the British North America Act, where we find that this Parliament is charged with responsibility for the peace, order and good government of Canada, not in respect to one province or to another province, but in respect to all the provinces, whether it be British Columbia in the west or Nova Scotia in the east. Its legislation should be of universal application and aimed at the supreme purpose of providing for the peace, order and good government of the commonwealth. That being so, it is necessary that we should legislate for the defence of the realm, for the safety and liberty of our citizens, for the defence of their property and their rights. These are national matters, for the life of a citizen in British Columbia is just as important as the life of a citizen in New Brunswick, and property, in the broad sense of that term as used in section 91 of the British North America Act, must be the subject matter of preservation by the state just as much in the central prairie provinces as in the provinces by the sea. So that our duty is national; our obligations are Dominion-wide. That being so, I submit, Mr. Speaker, as I did the other evening, that we should lay down a principle and, in the words of Disraeli, let that principle work to the end, being confident that, having declared for the principle, in its application it will work no hardship to individuals, however much it may effect this class or that. And in seeking for a principle upon which to determine national franchise—not a provincial or a local franchise; not a municipal franchise, but a national franchise—which will effect the well-being of the State as a whole and of its citizens as a whole, I ventured the other evening to lay down a principle, which, I submit, is founded upon the common history of mankind, running through the text-books and through all literature upon the subject since civilization began to emerge from barbarism, namely, that nationals should determine national issues; that nationals should determine national exist-

ence; that nationals should fix and determine national destiny. I will not to-night repeat the classes of men whom I believed were nationals: men who were British subjects, and naturalized citizens under certain limitations. Whatever may have been the view of individuals in this House before 1914, we at least now know, having regard to the history of the United States, to the history of some parts of our own country, and to the trend of events overseas and on this continent, that there are men who have taken the oath of allegiance either in the United States or to our own Sovereign, in whom the ties of blood and nationality are so strong that in the midst of a great conflict in which the existence of the fatherland whence they came may be at stake and who, for reasons that to them seem good, but to us seemed bad, show no sympathy for and give no support to our ambitions either as a State or in connection with the war that we are carrying on. They have seen fit to indicate, sometimes clandestinely and sometimes openly, a preference for the well-being of the land from whence they came rather than a desire to support by their conduct and their purse the campaign that is being carried on by the land of their adoption. No man who reads the history of the United States during the last three years or, for that matter, who will read with me the history of my own country as I have seen it during the last three years will, for a single moment, question the fact that naturalization alone is not sufficient to constitute a man a national in the sense in which that term is used. I went further, because I pointed out—and now I have the opportunity to elaborate it—that when the Privy Council had to deal, in the Japanese case, with that point, they laid down this doctrine, that the exercise of the franchise is not a right, but a privilege conferred by the State that grants it, and far from being a right, it is a privilege of such importance that too great care cannot be exercised in its grant. Therefore, the legislation of the province of British Columbia that denied the right to the Japanese to be placed upon the register, notwithstanding the fact that he was a British subject, was upheld by the Privy Council, because, in the words of the court delivering judgment, it was felt that the legislature of the province of British Columbia must be at all times the best judge as to what would be for the interest of that province. In the same way this Parliament, speaking in the same terms for Canada as a whole, must ever be the best judge as to what is for the benefit of Canada as a whole, and not for any portion of Canada that is now called a province.

If the principle, then, for which I contend—and I submit there is a principle—be declared, then it follows that no provincial legislature can declare that principle. That principle can be declared only by this sovereign Parliament, and as that is the case, and as it is essential that a principle should be of universal application, it follows that the mere adoption by this Parliament of the ever changing franchises of nine provinces can never be regarded as an application of a principle that is sound from a national standpoint. My hon. friend from Red Deer (Mr. Michael Clark) the other evening spoke of manhood franchise, believing apparently that there was such a thing throughout Canada as a franchise law universal in its character. That is not the case; there are in Canada as many franchises for the election of members to this Parliament as there are provinces. That is unsound, because it represents no principle, and unless there be a principle of universal application there should be no law based upon it. Therefore, I say: Why should a gentleman representing a constituency in the province of British Columbia be sent here by an electorate differently composed from the electorate of a constituency in the province of Prince Edward Island which sends a representative here? That is the neat question. Should a gentleman who represents, in this Parliament, a constituency in Ontario be chosen by an electorate registered upon a register upon different qualifications from those of an electorate in a constituency in Quebec which also has the right to choose a representative? Should one who comes from the province of Alberta or Saskatchewan represent a body of electors chosen by qualifications for national purposes different from the qualifications of a body of electors in Nova Scotia who also send representatives to Parliament? That is the neat problem. What makes for the peace, order and good government of Canada as a whole? It is the laying down of a principle of universal application with reference to the selection of members of Parliament. And I contend that a gentleman who represents in this Parliament any federal constituency does not represent an inferior or a superior body of men merely because he happens to be chosen from a province where in the one case there is manhood franchise, and in the other, restricted franchise.

What have we had in the province in which I have lived for many years? In the province of Alberta since 1905 and in the province of Saskatchewan since 1905 we have had a franchise made by whom? by the legislatures of Alberta and Saskatchewan? No, by this Parliament, and once the franchise is made by this Parliament, in fulfilment of its rights under its constitution to legislate for the peace, order and good government of Canada as a whole, I say: Why should not the principle that governs with respect to Alberta and Saskatchewan, whereby in those provinces this Parliament fixes the terms and conditions under which a man shall exercise his franchise for federal purposes, be extended to every part of this Dominion? That is the principle for which I contend. It cannot, I believe, be successfully contended for a single moment by any hon. member that a principle shall have application in Alberta and Saskatchewan and at the same time find no operation in Manitoba or British Columbia. That, I submit, cannot be so, and if this Parliament was sound in the exercise of its undoubted jurisdiction in legislating as to who should vote for members to be elected in those two provinces, it is doubly true that at this moment when the great issues of life and death and the future existence of this country are at stake, it should legislate fully; it should legislate with a principle; it should legislate having regard to the conditions under which we live and in such a way as will ensure the continued existence in this Canada of ours of British institutions. That is the principle which I lay down and for which I contend. It is for that reason I submit, that this Parliament should deal with matters of federal franchise and not leave it in the way in which it is now.

10 p.m.

We should look at this matter fairly in the light of history. There is no getting away from the history of the matter. Let us take the province of Nova Scotia. During the time that the ex-Minister of Finance was Prime Minister of Nova Scotia, he placed upon the statute books a measure whereby all Dominion civil servants could not vote.

Mr. McKENZIE: My hon. friend is absolutely wrong. That measure was on the statute books of Nova Scotia since Confederation, long before Mr. Fielding was ever heard tell of.

Mr. BENNETT: I will accept my hon. friend's statement as I am bound to do, but I desire to say that he is in error.

Mr. McKENZIE: Not at all.

Mr. BENNETT: During the regime of the Conservatives in Nova Scotia that section to which my hon. friend refers was repealed, and it was re-enacted by Mr. Fielding when he became Prime Minister. Those are the facts.

Mr. McKENZIE: No, those are certainly not the facts.

Mr. BENNETT: If my learned and honourable friend will permit me to send for the books, I shall be able to show him what the facts are.

Mr. McKENZIE: I shall be very glad if my hon. friend will do so. He cannot get away from the statute.

Mr. BENNETT: My hon. friend's memory, as he has just reminded me, extends back to pre-Confederation days. Mine does not, so I accept his statement as being more correct than mine, but I am giving the facts as I have read them.

Mr. McKENZIE: The Prime Minister is quite familiar with Nova Scotia legislation and I will leave the matter to him.

Mr. BENNETT: I am quite content that it should be left to him.

Sir ROBERT BORDEN: I will send for the book.

Mr. BENNETT: It matters not for my purposes, but strengthens my argument to accept the statement of my hon. friend. He says that since Confederation there was in the province of Nova Scotia an Act whereby federal civil servants were not permitted to vote in provincial elections.

Mr. McKENZIE: Certain ones—not all.

Mr. BENNETT: Certainly. Certain ones were precluded from voting, but that section has been repealed. It no longer obtains in Nova Scotia.

Mr. McKENZIE: As a member of that legislature, I introduced the Act that repealed it.

Mr. BENNETT: That is what I was advised, and the reason my hon. friend introduced that Bill repealing the section was because a Liberal Government had come into power at Ottawa, and it was after that that he did it.

Mr. McKENZIE: Evil be to him who evil thinks.

Mr. BENNETT: That being so, I should think much evil should fall on the head of my hon. friend because he evidently

thought evil of civil servants voting under a Conservative Government and thought well of them voting after his friends came into power in 1896. In any case the facts are that in Nova Scotia there was a statute that precluded civil servants of a certain class from voting in provincial elections, but after the advent to power of the Liberal party in 1896, my learned and honourable friend introduced into the legislature a Bill whereby he repealed that section, there being a Liberal Government in power at Ottawa. Then what happened? In 1898 a Dominion Franchise Act was passed by this Parliament, and it specially provided that the men who could not vote in Nova Scotia because they were civil servants should be able to vote for Dominion purposes.

Mr. McKENZIE: It was repealed long before 1906.

Mr. R. B. BENNETT: 1898 was the date it was passed. There you have one form of franchise in Nova Scotia, another in Prince Edward Island, another in Quebec, another in Ontario, another in British Columbia, and another in the western provinces, fixed by this Parliament, and I submit to the House that it cannot possibly be said that any principle is being applied in a case of that character. Every man who sits in this House should represent electors of the same qualifications from ocean to ocean. Every hon. gentleman who votes on national issues should be himself elected by electors of the same class. There should be no distinction, no question of one having superior or inferior qualifications with respect to the national franchise. I leave that thought with the House for its consideration.

Some reference has been made to American cases. The right hon. leader of the Opposition referred to the American constitution. As is well known, under their constitution the residuum of power rests with the State. The Jeffersonian contentions with respect to democracy found expression in the constitution of that day, and the rights of the separate states to sovereignty was recognized, and the war of secession took place because of that very fact. But here no such condition prevails. After the mistakes had been made we introduced into our federal constitution those provisions which confer upon this Parliament the jurisdiction of determining who shall be the electors and what shall be their qualifications. If that principle which I have enunciated should prevail, we then come to the further question of the right of women to a place upon the register. That involves an extension of the franchise very greatly over what now obtains. The old Mosaic doctrine with respect to man and wife, that they two shall be one, is to be set aside. We have learned much and travelled far in the last five hundred years. I have never been one of those who believed that the granting of the franchise to women would be a panacea for all our ills. I have never been one of those who believed that domestic relations would be improved; I have never believed that. But I am always willing to learn by the march of events. The principle on which such men as Lord Crewe and Lord Curzon opposed the granting of the franchise to women was this: that in the ultimate analysis every unit in the state must, if needs be, be called upon to defend the state, its liberties and its existence. Women could not be called upon for that purpose, and therefore they should not determine the national destiny of the state; that was the old argument. Let us look at the question now in the light of recent events. If this war has taught us one thing more than another it is this: that for the preservation of the life of the state and the liberties of its people it is essential that every unit in the state, men and women alike, should give some service to the state, and it has further been made clear to us that the victory which we believe will come to our arms by reason of the exertions of our valiant men on sea and land is not achieved by fighting alone, but also by the service that may be rendered by those who stay at home. In this great war it has been the privilege of women to sacrifice and suffer and serve, and no page in all our national history will record a finer story of heroic devotion to a great principle, of more willing sacrifices, or more splendid service, than the page that will record in undying terms what our women have done for this country and this Empire since the war came upon us. That I concede to be absolutely certain. Their duty it has been to remain behind and keep the home fires burning while those whom they held most dear have gone forth with their blessing to the battlefield, and many of them have offered up their lives a willing sacrifice for the preservation of our country, of its rights and liberties. They have worked in munitions factories, in Red Cross work, in every avenue of industrial activity and in every form of patriotic work, and it is to them in no small measure that we

are indebted that our armies are maintained on the battlefield and our sailors upon the sea. They have taken their place and are discharging their full duties with respect to service, in the large and broad sense of that word. They have shown that they are essential to the well-being, safety and existence of the state. So the old argument fails, and the women take their place side by side with the male population, as being entitled to exercise the highest rights and the highest functions of citizenship, namely, that of selecting their representatives in Parliament, who in turn must determine the destiny of the country.

But because that is so, it does not follow that the franchise should be extended without restrictions or restraints. The Local Council of Women in the constituency which I have the honour to represent in this House, have been giving this matter very great consideration and attention, and recently they favoured me with the views they had arrived at after mature consideration. The following are the suggestions of the Local Council of Women, Calgary:

1. That votes of men of alien enemy birth be withheld during the period of the war and for five years after its close and in granting the Federal Franchise to women the same restrictions to apply to them.

2. From now on, to qualify for the federal franchise an educational test be applied to both men and women of alien birth.

(a) That they must be able to read and speak English.

(b) And five years residence be required.

Those are the views of thoughtful and intelligent women representing those who have sent their husbands and sons to fight at the front, many of whom have already died in Europe. Their view is that in the exercise of the franchise, restrictions should be imposed of the character I have mentioned. They realize that there are problems of amazing difficulty in connection with granting the franchise to the women of this country; problems, for instance, with relation to the status of the wife, of the change of her nationality by marriage, of the woman who marries one of alien birth, and many other problems all of which are complex in character and must be carefully thought out. They are prepared and anxious to accept the responsibilities which the granting of the franchise would impose, but only upon condition that there be some restrictions in the granting of it. Therefore, I submit that it is the duty of this House to recognize at once that by reason of intelligence and training, by reason of their sense of responsibility, and of their ability to discharge great and useful and essential service to the state in time of national peril, the women should be enfranchised. What limitations should be imposed upon it, it is not for me to suggest. It is not for me to say whether the limitations imposed in England should be followed here. I do not undertake to deal with matters of that kind to-night. But I do submit that by reason of the experience of other states, and the light of knowledge we have obtained especially during the war, we must be satisfied now that women should exercise the franchise with respect to national matters and the selection of members to represent Canadians in this House.

That is all I have to say. I do submit, in conclusion, that nothing is more clearly established than that we should have one guiding principle in connection with determining who shall select representatives to sit in this Parliament, and that in the application of that principle no difference should be made between men and women.

Mr. W. A. BUCHANAN (Medicine Hat): I am not going to discuss this question from a legal or constitutional standpoint; I am not a lawyer, or the son of a lawyer, or the brother of a lawyer. But I believe in giving votes to women. I believe that the women of Alberta should have a vote in provincial affairs, but I believe also that they and all other women throughout the Dominion should equally have the vote in both provincial and Dominion affairs. I think they have won the right to it since this war commenced at any rate—though I was a believer in and advocate of woman suffrage prior to the war. I entirely agree with the view expressed by the hon. member for Calgary (Mr. Bennett). The sacrifices made by women throughout the length and breadth of this country since the war commenced have been rightly commented upon by the hon. member. The other day we were discussing a resolution declaring that every one who has gone to participate in this war as a soldier should be given the vote. I agree with that entirely, and I agree also that the women who have made such great sacrifices, who have given their sons and husbands to the country in this critical time, should have the right to participate in the solution of the problems which the country will face at the conclusion of the war. I say without hesitation that the women should be given the vote immediately. I am satisfied that in

my own province, as the result of the franchise being given to women, public life will be improved and elevated. This being true of the provinces, let us give the women the franchise in the Dominion elections, from British Columbia east to the Maritime Provinces. I have no constitutional reasons, no legal arguments to offer. I am simply in favour of women suffrage throughout the Dominion because I believe that the women have earned the right to the franchise since the war commenced.

Mr. D. D. McKENZIE (North Cape Breton): I had not intended to say anything upon this question, but having heard the learned and eloquent address of the hon. member for Calgary (Mr. Bennett) I think some explanation is called for from myself as to the way in which I understand some of the principles to which he has referred. I do not think he is going to carry out in practice the broad principles which he chooses to lay down to-night. He said early in his speech that every representative body should have the full say as to the qualifications of those who shall elect its members. On that principle every municipal council must have the right to create the franchise under which its members shall be voted for, and the same is true of every school board. I do not think the principle laid down by the hon. gentleman could be carried out successfully. I think the hon. gentleman forgets that the same voters are represented in the municipal council, the local legislature, and this Parliament. It is the same conscience, the same intellect, the same power in each case. That being so, why should not the man who is qualified to vote for members of the municipal council or for members of the legislature be qualified to vote for members of this House as well? Why should there be separate enactments in these cases? For the last twenty years the present Franchise Act has worked successfully from the Atlantic to the Pacific, and no one has any quarrel with it so far as I know. I would ask the hon. member for Calgary whom would he suggest as proper parties to be left off the list? Would he suggest the man who has no property of his own? Would he suggest the man who lives with his parents and who has no separate property upon which to qualify? Will anybody stand up in this House and say that there is any person left off the list by their province who should be put on, or put on who should be left off?

Mr. R. B. BENNETT: Yes, all those who own a dual allegiance and are under military obligations to an enemy state should be left off.

Mr. McKENZIE: That is a state of things that is not known in this country, so far as I am aware.

Mr. PUGSLEY: Are not there aliens fighting for Canada in the trenches who owe a double allegiance?

Mr. BENNETT: They have lost that by reason of their fighting. That is the point I made the other evening.

Mr. McKENZIE: That is a condition of things which, so far as I know, does not exist in this country. It may exist in the mind of my hon. friend from Calgary, and he may have evidence to back it up. But if there is any person who has been put on the list who is engaged in some traitorous conspiracy against the King and against the country he should be disfranchised, and the sooner we deal with such cases the better. No person who is an enemy of the state should exercise any right in the management of the state. But, so far as we know, there are no such people in Canada. The hon. gentleman says that under the law passed in 1898 this Parliament made a fixture of the franchise.

I must say to my hon. friend that if we intended to do that we carried it out very poorly. The franchise has been extended in different provinces. Men were given the right to get their names on the lists and vote since 1998 who had not that right at that time. But, if it was the intention to make a fixed qualification, we did not follow it up at all. I submit to you, Mr. Speaker, and to my hon. friend from Calgary that it is impossible to create a population in a country which is varied in geographical conditions and otherwise, such as this Dominion is, that will appear like a handful of ten cent pieces and that will think, vote and do everything the same. If such were the case my hon. friend would not have a seat in this House. He would find himself in the same position as the Irishman who was riding with the judge. The judge said to him: You would be a long time in Ireland before you would ride with a judge, and the Irishman replied: You would be a long time in Ireland before you would be a judge. If my hon. friend were down in Nova Scotia, or if he were in other parts of the country, and attempted to make conditions uniform, he would make it absolutely impossible for himself to get here at all. But, he lives in a country where different conditions exist and he

worthily represents the views that prevail in that part of the country. I do not think it is well to try and get universality. I think we should try to live and let live and get along as well as we can according to our ideas of things.

What I particularly rose for was to remind the Prime Minister and the hon. gentleman that those broad, sound, Rock-of-Gibraltar principles which were put forward tonight were not always the same with them. My hon. friend from Welland (Mr. German) has pointed out to the Prime Minister that when his office was besieged not very long ago by an armed force of suffragettes, he escaped by just telling them that he had no responsibility in the matter, he had no jurisdiction and that they would have to go to the place where power lay, that is to the provinces. If that be true, and he did not deny it and therefore we have to take it for granted that it is true, then he did not think at that time as he does to-night when he says that we should take the matter up and give the women the franchise. He says that we have the power, the universal jurisdiction, that we should take cognizance of the question, and that we should carry out what we think right. In that connection I wish to remind the hon. gentleman that only in the session of 1916 an Act came up in this House, chapter 19 of the Acts of 1916, "in aid of provincial legislation prohibiting or restricting the sale or use of intoxicating liquor." The Liberals, sitting on this side of the House, and I think Conservatives, wanted to make that law universal all over the country. I forget exactly what the right hon. the Prime Minister said but I presume his remarks were in conformity with the ideas of other hon. gentlemen on that side of the House who said that we should not force our will upon any province which had not prohibition, that we would apply the law to any province in which there was prohibition but that in any province in which they had not passed prohibition, we would leave it to the sovereign sway of the legislature and the people of that province. That was the gospel then, that was the principle last year, but this year hon. gentlemen say we will give the franchise to women whether the provinces grant it or not. Where is the principle there? The principle is the same. If the will of the province as expressed by the legislature is to be recognized in regard to temperance, which, I submit, is just as important a question, if not more so, and a more practical question than the question of granting the franchise to women at the present time and during the stress of war, why should not that same rule apply in this case? If hon. gentlemen took the ground a year ago that they would recognize the will, for instance, of the provinces of Quebec and British Columbia, and would not impose this law upon them, how can they say that they will take no stock at all in what the different provinces may think with regard to the franchise? I merely point this out to show that there is an inconsistency in laying down one principle and then, afterwards, as soon as circumstances and conditions change and there is a prospect of getting some votes, abandoning that principle and adopting a new one to suit the circumstances as they appear.

I do not intend to say anything about the right of women to vote, because it was only to answer these points of the Prime Minister and the hon. member for Calgary that I got up. If I would have any objection at all to giving votes to women it would be because of the high and sacred regard which I have for the place occupied by women in this country. There are sacred things in this country, there are sacred things about the home, there are sacred things about institutions in connection with which we have been brought up from our childhood. The place of the mother in the home, the quiet restfulness of the home, the home to which the man returns from his work and in which he is received into the bosom of his family, the place which the mother and the wife occupy in the home, are very sacred and very high. If I would have any trepidation at all about disturbing these conditions, it would be that I fear that the pulling, or dragging of women away from the sacred precincts of the home and from that high and lofty position which she holds in our estimation to-day would not perhaps produce the results that the advocates of woman suffrage hope for. It might result in the neglect of that high position which the mother, the sister and the daughter occupy and the general effect on the country might be different from that which we would expect. I am not expressing any opinion. I am not prepared to do so, but if I would have any fear at all about granting the franchise to the mothers, the sisters and the women of the country generally, it would be the fear that the present high and sacred position which they occupy should be invaded, coupled with the reflection that we have really nothing

to take the place of the home. These are the only questions that appeal to me. As to what has been discussed by the Minister of Justice and the hon. member for St. John I do not wish to offer any opinion.

Mr. J. G. TURRIFF (Assiniboia): Mr. Speaker, I shall only occupy a very few minutes of the time of the House. As to the legal arguments that we heard this afternoon from the hon. Minister of Justice (Mr. Doherty), if he had anything clear in his mind, or if he was able to make anything clear to the other legal lights in this House, he certainly was not able to make anything clear to the ordinary layman because when the hon. member was through it seemed to me that the matter was more muddled up than it was when he started. However, not being a member of the legal profession myself, I am probably not competent to pass judgment on a matter of that kind. The few remarks that I have to make will be altogether aside from the legal end of the argument. In the province from which I come women have been given the vote for the legislature. That was the first province in the Dominion to grant the right of voting to women. The women, and the men too, in Saskatchewan are very anxious that the women should be given a vote for members of the Dominion House. That can be accomplished, as I understand the matter, only by an amendment to the Dominion Elections Act that is in force so far as the elections in the provinces of Saskatchewan and Alberta are concerned. By a very sligh amendment, women can be given the vote in those provinces. But it does not seem to me that it is the intention of the Prime Minister to give women a vote at the present time. This is the resolution that we are discussing; proposed by Mr. Sutherland, the member for South Oxford.

That, in the opinion of this House, the question of extending the franchise to women should engage the attention of the Government at the present session.

My right hon. friend the Prime Minister (Sir Robert Borden) moves an amendment to this motion exactly in the same words until you come down to the words "the present session," and my right hon. friend then suggests that it should read "prior to an appeal to the country." Nobody in this House, or in this country, knows any better than my right hon. friend that the term of this Parliament ends on the 7th day of October next, within six months; so that if my right hon. friend wants or intends to give votes to the women, either of the provinces that have given the local franchise to women or to the women of all Canada, he must take action at this session; if he is going to accomplish anything action should be taken now. But my right hon. friend seems to be taking a very quiet, smooth way of doing the women of Canada out of a vote for the next Dominion election. That is how his attitude looks to me; I cannot take any other view of it. If that is not a correct view, perhaps my right hon. friend or somebody else on that side of the House will explain.

Just a word as to what the hon. member for Calgary (Mr. R. B. Bennett) said about restricting the franchise. I should like to ask him what he would do in the case of an alien, a man from an enemy country, Austria, Germany, or Turkey, who came to Canada years ago, settled here, became a British subject and brought out his young sons with him. These sons have since grown up and have, perhaps, gone to the front to defend Canada and now lie buried in France and Flanders. Is my hon. friend from Calgary going to take the franchise from that British subject, the father of those boys who have sacrificed their lives to maintain the British Empire and to maintain Canada? Why, the matter is too absurd to be considered. We have heard interminable talk about cultivating a strong national sentiment. Are you going to cultivate a strong national sentiment in Canada by disfranchising the fathers of men who have gone to the front to fight for you? Is that going to build up a British sentiment? To my mind it is absolutely absurd.

Then the hon. member for Calgary talks about an educational qualification. He should have consulted the Minister of Public Works (Mr. Rogers). My hon. friend the Minister of Public Works had a hand in applying an educational test in Manitoba when he was a minister in that province; but he repealed that legislation very shortly after he had put it into force. If my right hon. friend the Prime Minister should adopt the same course he would be compelled, if he should be in power to do it, to repeal the legislation before it went very far. That is not the way to cultivate a good British sentiment, and no one knows it better than the Minister of Public Works, because they had to repeal their Act in the province of Manitoba. It certainly looks to me, and I am sorry to have to say it, as if my right hon. friend the Prime Minister is taking a very smooth way of getting out of giving votes to the women.

Mr. MICHAEL CLARK (Red Deer): Mr. Speaker, I hope I shall follow the example

of my hon. friend from Assiniboia (Mr. Turriff) and not detain the House very long at this late period. I intervene, however, to say that this debate has been a genuine surprise to myself. I have been engaged in some capacity or other in helping in extensions of the franchise all my life; and I was engaged in that process of enfranchisement under the name of Liberal. So, you can understand my surprise when I find in a debate like this a party which is called the Conservative party standing for a general measure of enfranchisement all over the Dominion of Canada; and a party which is called Liberal, apparently rather anxious to restrict this extension of the franchise. It simply shows that it is possible for men to betray the qualities with which the names of the parties to which they belong have usually been associated in history. Take my hon. friend from Cape Breton (Mr. McKenzie) who has just spoken. I never heard a better old-fashioned Tory speech in my life than he has just given. Why, he says, we have had this franchise for twenty years, how can you improve it? Well, that was just the kind of argument that was put up in Great Britain against every proposed extension of the franchise there, the old fashioned Tories of Great Britain always said that—

Mr. McKENZIE: I must say that my hon. friend misunderstood me. I was referring to the method of preparing the lists, or getting the names on the lists, not to the question of who should go on the lists; and if my hon. friend understood me as saying that I did not wish to extend the franchise any further, I must say that he did not understand what I meant. I was referring to the machinery by which the lists were prepared.

Mr. MICHAEL CLARK: I must protest. I think I understood my hon. friend well enough. He may not like my description of him, but he said that something that was good for twenty years was good enough for now, and I challenge that statement—he does not deny that.

Mr. McKENZIE: He does deny it. He said the machinery for preparing the lists was good enough for twenty years, and if my hon. friend wishes to misunderstand that, he can do so.

Mr. MICHAEL CLARK: My hon. friend gets up and repeats what I said, and says if I misunderstood what he said I can do so. I leave it at that. I thought he was betraying a Conservative frame of mind, because almost in the next sentence he went on to jibe the Prime Minister because he did not hold the same view to-day as he held twenty years ago. That was another betrayal of a Conservative frame of mind. We have seen changes in the views of public men in England. Mr. Asquith was a determined opponent of woman suffrage until a few years ago. The stolid and strong Englishman that he is, he did not give way to intimidation and violence of the worst kind. But other things have arisen in the history of the world. This war has revealed a new side of the question to him, and he has changed his views. I do not know that I have any brief to defend the Prime Minister in this way, because there is no real inconsistency in arguing that so long as this is a provincial matter it should be done by the provinces. But when you are dealing with an anomaly created by an extension of the franchise in certain provinces which has not been made in others, you are brought up against the question of whether or not you will have a general franchise all over the Dominion. I have not the slightest hesitation in supporting views which I have enunciated previously in this House, which are in accordance with the views expressed by the hon. member for Calgary and which are in accordance with the opinions of the vast majority of the people of Western Canada: that this is an anomaly which cannot be allowed to continue; that it should be put right, and that the only way of putting it right is by giving the franchise to women all over the Dominion. My hon. friend from North Cape Breton is a good-natured debater; he enlivens our proceedings with most interesting anecdotes from time to time, and I am sure that he will not mind my reviewing the remarks that he has made and arguing with him, if I may do so—for no Scotchman resents an argument, I am sure.

Mr. McKENZIE: It must be an argument, though.

Mr. MICHAEL CLARK: Well, I have met Scotchmen who thought that nobody could argue but themselves. That, of course, is a peculiarity of the race. In regard to the general subject, I have not the least hesitation in supporting the view that the franchise should be extended all over the Dominion. The hon. member for North Cape Breton differed from the hon. member for Calgary as to the power of a legislative body to arrange the franchise under

which members should be elected to that body. I understood my hon. friend the leader of the Opposition to take exactly the same ground. I understood him to concede that in his opening remarks; I think that if Hansard is consulted it will be found that he took exactly the same position. But whether he did or not, I must say that I agree on the subject with the hon. member for Calgary, and not with my hon. friend (Mr. McKenzie) near me. I do not think that the argument with which the hon. member for North Cape Breton supported his view is a sound argument. He said that the law under which a municipality elects its members is not made by the municipality. But a municipality is not, properly speaking, a legislative body; it is largely an administrative body. I do not think, therefore, that it is on all-fours with a provincial legislature or with this Parliament. So that the position is unmistakably sound and unshakeable that a legislative body has the power to make the franchise under which its members are elected. It has been conceded —and I do not think that this view, which was stated in very clear and lucid terms by the member for Welland (Mr. German), has been differed from by anybody in the House—that women are the equals of men in intelligence and in every other quality by which we test the right of an individual to vote. If we take those two positions—that a legislative body is the proper body to constitute the franchise under which its members are elected, and that women are the equals of men in intelligence and in all other qualities which go to make a good citizen—then there remains no further argument on the subject. The franchise for the Dominion should be created by this legislature, and it can be very well extended to all human beings, irrespective of sex, who have arrived at that age at which they can exercise the franchise rationally and sensibly.

I listened to the speech of my right hon. leader without the slightest wish to differ from it, but it did not carry my mind in its logic. I could not follow the arguments; they were not convincing to me. He contended that it would be wrong—I think he almost went that far—that it would be unfair or improper to force a franchise upon the women of Nova Scotia which had been turned down by the legislature of that province. I do not think, Sir, that that is a sound argument. It is notorious that many men who have been given the franchise under a general extension do not care to exercise that franchise. That is so notorious that a large section of the population of all countries in which these matters are dealt with are in favour of compulsory voting at elections. We have no sympathy with that view, but where would be the hardship of conferring upon the women of Nova Scotia the right to vote? They would be in exactly the same position as the men who have that right now, but who do not care to exercise it. I do not see anything in that argument. The view is shared, as I understand, by the hon. member for North Cape Breton. They did not always in Nova Scotia—I have had my own troubles with them from time to time—my Liberal friends in Nova Scotia did not always grumble at things offered to them from other parts of the Dominion. I remember an occasion upon which they were provincial in another matter than that of the franchise—extremely provincial. And their Scotch characteristics came out especially on that occasion, because when it was a matter of steel bounties they were like Oliver Twist; they always took them and were always looking for more. Well, this Parliament, thinking that that was a very unjust method of dealing with the financial and fiscal affairs of the country, thought fit to stop that kind of gift. But the gift of another bounty in the shape of a vote for the women of the province should not, I think, be resented.

Mr. McKENZIE: A Nova Scotia Finance Minister stopped the bounties.

Mr. MICHAEL CLARK: Some of my hon. friends are so provincial that they never get away from their own province; he was a Dominion Finance Minister who came from Nova Scotia. I am sure that a little more study of this question and a little broadening out of views in the matter will bring all Liberals, anyway, to support the views which have been so well expressed by the right hon. Prime Minister and by the member for Calgary. I said at the beginning that this debate had been a surprise to me. Perhaps the greatest surprise about it is not the one that I expressed to begin with, but the one that I have just given a hint of—that I am in absolute agreement with the speech of the member for Calgary. I should not, perhaps, put it so strongly. We have had many differences, but so far as the main portion of his speech, anyhow, was concerned—the votes for

women—I am in absolute agreement with him, and I think he made to this House an admirable argument on that question.

Mr. PUGSLEY: Mr. Speaker, I wish to address myself for a few moments to the amendment moved by the right hon. leader of the Government. I have been very much surprised at the amendment that he has moved. It is difficult to understand the reason which animated the Prime Minister in moving it. One is naturally led to wonder what is behind the amendment, because ordinarily the Prime Minister would not move an amendment to a resolution presented by a supporter of the Government unless there was very good reason for doing so. The resolution says:

> That, in the opinion of this House, the question of extending the franchise to women should engage the attention of the Government at the present session.

My right hon. friend proposes to strike out the whole of my resolution and substitute for it the following:—

> In the opinion of this House the question of extending the franchise to women should engage the attention of Parliament before an appeal to the people is made.

Now, just what was deep down in the mind of my right hon. friend when he moved that amendment I am unable to understand. Does he mean that it is not the duty of the Government to deal with this question, but that it is the duty of some private member to deal with it? And is it the view of my right hon. friend that if some private member does not deal with it the responsibility is removed from the members of the Government and they will say: Oh, it was open to Parliament to deal with the subject; it was the duty of a private member to bring it up just as much as it was the duty of the Government, and no private member introduced a Bill. It seems to me it is the duty of the Government to deal with this very important question. The Dominion Elections Act is an Act over which the Government naturally has charge; it is an Act which involves public expenditure. The Dominion elections necessarily involve a charge upon the public treasury, and, therefore the Dominion Elections Act is a statute with which the Government ought to deal and the making of amendments to that Act is peculiarly entrusted to the Government. Therefore, I apprehend that it is primarily the duty of the Government to take this matter into consideration and to submit to Parliament a Bill providing for amendments.

For some reason or other, my right hon. friend, in his amendment, has said that the question of extending the franchise to women should engage the attention of Parliament—not at the present session, as has been proposed by the hon. member for South Oxford (Mr. Sutherland)—but at some time before an appeal is made to the people. As one who wants to see the franchise extended, either to the women of those five provinces in which their names are placed upon the provincial lists, or to all the women of Canada, I am not prepared, as one member of this House, to allow the matter to be disposed of in this way.

Mr. MORPHY: What difference can it make to the hon. gentleman if before an election the matter is submitted to Parliament; the franchise will be extended to women at the earliest possible moment.

Mr. PUGSLEY: The difference is this, that, as has been pointed out by the hon. member for Welland (Mr. German) the life of Parliament will expire in October next. In the ordinary course of events, there can be no further session of Parliament after the present one, and therefore if we are in earnest in regard to the matter, we should say that this change should be made at the present session of Parliament. Who knows that there will be any other session? Who will suggest that there will be any other session?

Mr. MORPHY: Does the hon. member assert that there will be no other session?

Mr. PUGSLEY: I can assert that this Parliament has no power to hold another session after October of this year. I can assert that this Government has no power to call this Parliament together for another session. This Parliament absolutely will die by lapse of time in October next.

Mr. MORPHY: Is my hon. friend speaking for his leader?

Mr. PUGSLEY: I am speaking for myself and, as my hon. friend knows well what the law of Parliament is, no one knows better than does my hon. friend that the life of this Parliament will expire in October next and this Parliament has under the British North America Act no power to prolong its life. What may be done by another body, I do not know; but is the right of the women of this country to receive the franchise to depend upon whether or not another body may extend the life of this Parliament? Is the right of the women of this country

to have justice done to them to depend upon this question? If we are all in favour of extending the franchise to women—and we seem all to be, because there has been no expression of dissent from either side of the House—the only question is as to whether the extension should be to the women whose names are placed upon the provincial voters' lists, or whether there should be a broad Dominion measure extending the franchise to all women whether they have the right to vote for members of the provincial legislature or not. Why not let this House express the view—why should it not express the view that this measure should be brought down at the present session? It will not take long to prepare a Bill; it will not take long to put it through. It apparently will not be controversial, if controversial at all in its character. Then why has the resolution been altered by the declaration that this change should be made, not during the present session of Parliament, but before an appeal to the people is made? I would almost think that my right hon. friend drew up that amendment through an oversight. In order, however, to put the matter beyond any doubt, I would move as an amendment to the amendment:

11 p.m.

That there be added to the amendment the words "and it is therefore desirable that a measure having this object in view should be submitted to Parliament by the Government during the present session."

Mr. MORPHY: Does the hon. gentleman mean by what he has said that this Parliament in this session has no power to extend the life of Parliament for another year?

Mr. PUGSLEY: I mean that this Parliament has no power to extend its life. That power does not rest with this Parliament nor with this Government.

Mr. MORPHY: The hon. gentleman would say that this Parliament had no right last year?

Mr. PUGSLEY: It had no power last year.

Mr. MORPHY: The hon. gentleman agreed to the extension last year.

Mr. PUGSLEY: This Parliament was extended last year by the Imperial Parliament.

Mr. MORPHY: Can not that be done again this year by a similar process? Will the hon. gentleman give me an answer?

[Mr. Pugsley.]

Mr. PUGSLEY: If my hon. friend desires an answer, I would say that the question as to whether it can be properly done from time to time and under the circumstances which exist to-day, is one which requires most careful and earnest consideration.

Mr. STEVENS: Mr. Speaker, do I understand that the amendment to the amendment is in order?

Sir HERBERT AMES: I rise to a point of order, namely, that the amendment moved by the hon. member for St. John differs in no way from the original motion and is consequently out of order.

Mr. SPEAKER: As I have just at this moment seen the amendment moved by the hon. member for St. John, I do not think I should give an opinion offhand. There is nothing to prevent the hon. member for Vancouver proceeding with his remarks, and I will deal later with the point of order raised by the hon. member for St. Antoine.

Mr. PUGSLEY: I would ask that we be permitted to debate the point of order.

Mr. H. H. STEVENS Vancouver): Mr. Speaker, I do not intend to delay the House at this late hour, I simply rise to place on record my entire support to the amended motion as presented by the Prime Minister. My hon. friend from St. John finds himself in somewhat of a quandary because of this amendment. He suggests that the intention is to deprive the women of Canada of the opportunity of voting. As I read the amendment offered by the Prime Minister, it assures to the women the decision of this Parliament prior to an election, and as they cannot exercise the franchise until an election comes on, their rights in that respect are safeguarded.

I might also add this, that my hon. friend from St. John, the leader of the Opposition and others who have succeeded in dragging into this discussion a very much disputed question of whether or not the provincial lists, as they stand at present with the names of women included on them, will be the Dominion franchise list. That questiion is disputed by the ablest legal minds in Canada and is one which I think will be debated at an indefinite length.

I do not think that is a point for this Parliament to decide. To my mind the point is whether or not the franchise should be extended to the women of Canada. I am entirely in accord with the view that this Parliament should extend the franchise to

the women of Canada from the Atlantic to the Pacific, including every province. I rise simply for the purpose of recording my support of the motion.

Sir HERBERT AMES: Mr. Speaker, my point of order was in effect that the sub-amendment was only another way of moving the previous question, as it would put us back where we were before.

Mr. PUGSLEY: My hon. friend is in error. I presume he has not read the resolution carefully. The resolution says that in the opinion of this House the question of extending the franchise to women should engage the attention of the Government at the present session. The amendment proposes that the question of extending the franchise to women should be considered by Parliament, as Parliament is the only body that can deal effectively with it. My amendment to the amendment is that legislation should be introduced to Parliament by the Government at the present session. Neither the amendment nor the sub-amendment are at all in effect like the original resolution.

Mr. JAMES MORRIS (Chateauguay): I feel I should be remiss in my duty as representing the constituency of Chateauguay if I did not give my views on this question, particularly as I have received several communications from women's organizations in my county with respect to the subject now under discussion. We have heard it said in a good many quarters that women do not desire the franchise. The hon. member for North Cape Breton intimated in his remarks that the women of his province did not desire it. Be that as it may, the women of the county of Chateauguay do desire the franchise, and as the representative of that constituency I feel that it is my duty to give expression to their views and also to my own. There are a great many women's organizations throughout this country, and perhaps the most prominent is the Women's Christian Temperance Union, which for the last 30 or 40 years has been quietly working for the advancement of humanity. Some of the communications to which I refer came direct to me from the officials of a branch of that organization. If there is any organization in Canada that should be recognized I think it is the Women's Christian Temperance Union, and if they desire the vote they should have it. There are other women's organizations in this country which are doing great work to-day, the Red Cross, for instance, which was fostered and has been nurtured by women. I feel that the women of this country who are working for the advancement of the country should be recognized by this Parliament, and I trust that the resolution as amended will be passed and become law before this Government goes out of office.

Mr. SPEAKER: Between the motion submitted by the hon. member for South Oxford, and the amendment submitted by the right hon. the Prime Minister, and the amendment to the amendment submitted by the hon. member for St. John, we seem to be moving in a circle. The question whether the amendment to the amendment is in order is rather a delicate one to determine on such short notice, and in deference to the hon. member for St. John, —and I think it is also due the House— if it should meet with the approval of hon. gentlemen I would suggest that the debate be adjourned so that I may have opportunity to look into the matter, before giving a decision.

Mr. PUGSLEY: I have no objection to that, providing an opportunity will be given for resuming the debate.

Sir ROBERT BORDEN: We will resume it at some other time.

On motion of Mr. Murphy the debate was adjourned.

On motion of Sir Robert Borden, the House adjourned at 11.15 p.m.

Friday, May 18, 1917.

The House met at Three o'clock, the Speaker in the Chair.

BUSINESS OF THE HOUSE.

Sir ROBERT BORDEN moved:

That on Monday, 21st May, and on subsequent Mondays to the end of the session, Government Notices of Motions and Government Orders shall have precedence after Questions and Notices of Motion for the production of Papers.

He said: I present this motion now, on account of the urgency of public business. I understand that there has been an opportunity for all the items on the Order Paper to be brought forward at least on one occasion.

Hon. CHARLES MURPHY: With your permission, Mr. Speaker, I desire to call the attention of the Prime Minister to the fact that an arrangement was made with

the acting Prime Minister that one or two motions standing in my name should be put over to a convenient day.

Mr. PUGSLEY: Among the public Bills and Orders are some which were delayed owing to the absence on account of illness of the Minister of Justice (Mr. Doherty). I refer particularly to Bill No. 4, which was to be referred to a special committee, the members of that committee to be chosen by the Minister of Justice. The Minister of Justice is in his place, and I would like very much to have that Bill considered.

Sir ROBERT BORDEN: Any special case of that kind shall receive the best consideration possible. Under the circumstances, I would be inclined to alter the motion so as to make the proposed change begin with the Monday after next.

Mr. SPEAKER: The motion now reads, "On and after Monday, 28th May."

Sir WILFRID LAURIER: I have no objection to the motion, with the amendment that has been made. But we have a right to expect—and in regard to this I appeal to the Prime Minister's own experience—that the Government will state whether they have introduced all the legislation they propose to introduce this session, or whether there is more to come. The passing of this motion will mean that, beginning with the week after next, the Government will have all the sitting days for their own business. If the right hon. gentleman is not prepared to give us now the information to which I have referred, we shall expect it at some future day, say next week.

Sir ROBERT BORDEN: The request of the right hon. gentleman (Sir Wilfrid Laurier) is a reasonable one. But he will appreciate the fact that I have only just returned, and therefore I am not quite so familiar with Government business as I otherwise should be. I will make it my business to inform him as to the proposals of the Government at the earliest possible moment.

Mr. KNOWLES: The passing of this motion will leave only next Monday for the second reading of public Bills introduced by private members. I happen to have a couple of Bills standing in my name. I may remark that during the twelve or thirteen sessions I have sat in this House I have not before introduced a public Bill, and I should be sorry to see these that I have introduced this session fall by the wayside. I think neither of these Bills is contentious, and as to one of them the Minister of Finance (Sir Thomas White) was kind enough to say that I should have an opportunity to deal with it.

Sir THOMAS WHITE: My recollection is that I agreed that as the hon. member (Mr. Knowles) was absent, the matter should be held over until his return.

Mr. KNOWLES: I am afraid there has been an absolute misunderstanding between us. What I understood was that I should have an opportunity to proceed with the matter, and certainly that is what I intended. However, there will be opportunity to discuss this point elsewhere than on the floor of the House, and, no doubt, to arrange the matter.

Sir ROBERT BORDEN: If the hon. member will confer with the Finance Minister I think he will be able to make some arrangement.

Mr. KNOWLES: Am I right in understanding that there will be no opportunity after next Monday to propose the second reading of public Bills standing in the names of private members?

Sir ROBERT BORDEN: Not unless they be called up specially.

Motion as amended agreed to.

CRIMINAL CODE AMENDMENT—RE MARRIAGE OF DIVORCED PERSONS.

Mr. PUGSLEY: I move that the Special Committee to consider Bill No. 4, to amend the Criminal Code, consist of the following members:—

Messrs. Jameson, Middlebro, Nickle, Northrup, E. Lapointe, A. K. Maclean, and Pugsley.

Mr. DOHERTY: The hon. gentleman submitted these names to me and they are quite satisfactory.

Motion agreed to.

INSURANCE ACT OF 1910 AMENDMENT.

Mr. W. H. BENNETT moved for leave to introduce Bill to amend the Insurance Act of 1910.

He said: This Bill is in the same terms as one introduced in this House by the late Mr. Lancaster. It relates to the interests of one or more insurance companies in Ontario, who claim that they are infringed upon by other companies—

Mr. SPEAKER: Will the hon. member please submit his Bill before making his explanation?

Mr. BENNETT: I have not the Bill before me, but would ask permission—

Mr. SPEAKER: The hon. member is not in order in making his explanation before introducing the Bill.

Order stands.

MR. BRUCE'S REPORT.

On the Orders of the Day:

Mr. OLIVER: May I ask the hon. the Minister of Militia and Defence (Sir Edward Kemp) if he has yet received the report of Dr. Bruce which he mentioned having received notification of, although not having received the report itself, when I brought the matter to his attention a few days ago?

Sir EDWARD KEMP: The report to which my hon. friend refers has not yet been received by the Department of Militia and Defence. I have made several inquiries since my hon. friend brought the question up.

Mr. OLIVER: Have inquiries been made of Dr. Bruce as to what has happened to his report of which he notified the minister but which has not yet been received?

Sir EDWARD KEMP: No inquiries have been made of Dr. Bruce. I do not know where Dr. Bruce is; he may be in England or he may be in France.

Sir ROBERT BORDEN: In France.

Sir EDWARD KEMP: It may be that the report may have gone down with one of the vessels which has been sunk by a submarine. I will, however, make some inquiry along the line which my hon. friend indicates with as little delay as possible.

Mr. OLIVER: Was the report supposed to have been mailed from this side of the ocean or from the other side?

Sir EDWARD KEMP: I received a letter from Dr. Bruce, but the letter did not have any date or any place written or stamped upon it which would indicate the point from which it had been written. When the letter came into my possession and I noticed it, I asked if the envelope from which the letter had been taken could be found. We made search for the envelope, but we were unable to find it, so that I have no means of knowing where the report was sent from.

CANTEENS IN CANADIAN CAMPS IN ENGLAND.

On the Orders of the Day:

Sir EDWARD KEMP (Minister of Militia and Defence): My hon. friend from Pictou (Mr. Macdonald) has inquired of me on one or two occasions in regard to canteen arrangements in England. I may say that army canteens in Great Britain, both for the British and Canadian armies, are under the control of the Imperial Canteen Committee, upon which Committee Canada has a representative. Ten per cent of the profits on all sales to Canadians goes to the benefit of their regimental fund, and 2½ per cent to the Canadian Soldiers' Relief Fund. All final profits on canteens in England over and above the 10 per cent referred to are divided proportionately on the basis of turn-over between the British Soldiers' Relief Fund and the Canadian Soldiers' Relief Fund.

THE PRIME MINISTER'S VISIT TO ENGLAND.

STATEMENT BY RIGHT HON. SIR ROBERT BORDEN AS TO TRANSACTIONS OF THE IMPERIAL WAR CABINET AND THE IMPERIAL WAR CONFERENCE.

Sir ROBERT BORDEN: I would suggest to my right hon. friend the leader of the Opposition (Sir Wilfrid Laurier) that we might suspend the rule, so that I might make my statement as to my recent visit to England on the motion to go into Supply. Some discussion of my observations may be desired and I suggest this procedure to give the necessary opportunity for that discussion

Sir WILFRID LAURIER: Hear, hear.

Speaking on the motion that the House go into Committee of Supply.

Right Hon. Sir ROBERT BORDEN (Prime Minister): Mr. Speaker, as hon. members of this House are aware, on the 20th December last the Prime Minister of the United Kingdom summoned the Prime Ministers of the Overseas Dominions to meet in London with the members of the British Cabinet in conference. The proposed gathering was designated the Imperial War Conference. The purposes of the Conference, as detailed in the telegram which was received, were to take counsel with each other:

First, as to matters connected with the prosecution of the war;

Second, as to the terms upon which peace might be made;

Third, as to the problems which would arise immediately after the conclusion of peace.

Parliament was summoned at an earlier date than was at first intended in order that the representatives of Canada might arrive in Great Britain at the time designated. It was at that time proposed that the first meeting of the Imperial War Cabinet should be held during the last week of February. We left Ottawa on the 12th day of February and arrived in London on the 23rd day of that month. Unfortunately, through delay in the arrival of the representatives of India and of South Africa, the formal proceedings of the Imperial War Cabinet did not commence until a somewhat later date. We left Canada at a very interesting time. Germany had announced, just two weeks before, the commencement of an unprecedented and ruthless submarine campaign, and we had the experience in crossing the Atlantic of driving through fog at full speed without lights and without the sound of any fog horn, a course which in time of peace, would be regarded as madness itself, if not absolutely criminal. I mention this to indicate to hon. gentlemen in this House the conditions under which ocean travel must now be undertaken, and as an object lesson in the perils to British and Allied shipping through the waging of this campaign of which I shall have something more to say at a subsequent stage of my remarks.

We all greatly regretted the fact that Australia could not be represented in the Imperial War Cabinet or in the Imperial War Conference. For some time after our arrival it was expected that the representatives of Australia would arrive before the proceedings had been concluded, and it was proposed that the consideration of all important matters, in which Australia was especially interested, should be delayed until their arrival. However, as it turned out, the representatives of Australia were not able to attend, and under the circumstances the best that could be done was to inform the Australian Ministry from day to day of the proceedings of the Imperial War Cabinet and the Imperial War Conference, and especially with the nature of any resolutions or proposals in which the Commonwealth of Australia might be especially concerned.

Although there was some delay, the Canadian representatives did not find the time hanging heavily on their hands. There were certain meetings of the British Cabinet which we attended before the formal meetings commenced on the 20th March; and in the meantime we utilized every opportunity to visit Canadian camps and hospitals, to visit the troops in France, and to take up very many matters of importance, and some of them of urgency, in connection with the prosecution of the war.

The first meeting of the Imperial War Cabinet was held on Tuesday the 20th March and the first meeting of the Imperial War Conference was held on Wednesday the 21st March. Six meetings were held in each week, three of the Imperial War Cabinet and three of the Imperial War Conference, and except for a short recess at Easter, this continued until our visit was concluded. I am not confident that it was originally intended to hold an Imperial War Conference as well as an Imperial War Cabinet; but after the proposal for holding an Imperial War Cabinet had been launched, it became obvious that there were certain matters more or less connected with the war which might, with advantage, be thus discussed in conference between the representatives of the United Kingdom and representatives of the overseas Dominions and of India.

The genesis of the Imperial War Cabinet is to be found in the events of this war. Every one has realized the somewhat anomalous position of the self-governing nations of the Empire in respect of questions which concern foreign policy and foreign relations. It is abundantly clear that the self-governing Dominions are vitally interested in those questions which involve the issues of peace and war. In the event of a great war, threatening in any way the existence of our Empire or its status, the self-governing Dominions being at war when the Mother Country is at war must inevitably take their part, and thus they are directly concerned with the causes out of which war may arise. If we take an example from the events which have been transpiring during the past three years, we observe that some at least of the causes out of which this war sprang arose before this Dominion had an existence. We observe further that some of the causes for which our Empire took up arms were concerned with treaties and understandings in which the overseas dominions of this Empire had no voice and no part; but Canada and the other Dominions engaged in this conflict, because they realized that the issues involved transcend

all others within our experience, and concern the future of every Dominion and of the United Kingdom, the future of the Empire as a whole, and, indeed, the future of the world.

And so, without any hesitation whatever, every self-governing Dominion took up arms, and India as well, and their participation has been whole hearted. Two years ago, in London, I said that the overseas dominions of the Empire had sent to fight for the cause of justice and of liberty in this war not less than 250,000 men. I said with equal truth in London not more than a month ago that these Dominions have called to arms in the present struggle not less than 1,000,000 men. So, under those conditions, and having regard to the part which the overseas dominions of the Empire have taken, it was obviously necessary that the pledge given by the British Government in the early months of the war to consult the Dominions as to the terms of peace, must be fulfilled in substantial measure. And, as that question was to come under consideration, so also it was desirable and necessary that questions of co-operation in the prosecution of the war and problems which will arise on its conclusion should also come under consideration by the British Cabinet and the representatives of the dominions assembled in the first Imperial Cabinet ever held. The flexibility of the British constitution permitted this to be done. That constitution is based on usage developed slowly and gradually into convention. The Cabinet is not known to the formal enactments of the law, nor is the office of Prime Minister; and yet all of us realize how important, how supreme a place the Cabinet of Great Britain or of any of the dominions has in the Government of the country. And so with the office of Prime Minister of the United Kingdom. To it is attached a power and authority which, in events such as those through which we are passing, permit him to exercise that power and influence for great purposes made necessary by great events. And so, the Prime Minister of Great Britain and Ireland called together the Prime Ministers of the overseas dominions to sit in Council with the five members of the British Cabinet. In taking that course he absolutely disregarded precedent. As he himself said most eloquently in his address at the Guildhall: This is not a time in which one could justify too rigid an adherence to precedent, or even to tradition. It is a remarkable fact in our history that constitutional development has seemed to depend more upon events than upon men. The events of this war made it absolutely essential that the Dominions should have the voice to which I have alluded, and, having that voice, it was natural, and more than that, necessary, that they should be assembled in an Imperial War Cabinet.

It was a remarkable body that was gathered together. First there were the members of the Cabinet of the United Kingdom, the five men who constitute that Cabinet, but who call into counsel with them other members of the British Government whenever necessary. These five men, with representatives of India and of the Dominions, met for the purpose of dealing with matters of common concern touching the whole Empire. While we were in London and in the very early days of the sessions of the Imperial War Cabinet, a further remarkable development took place. It also arose out of the necessity imposed by events, and I am thoroughly confident that it was not premeditated or designed when the Imperial War Cabinet was first summoned. The Crown acts in the United Kingdom and in all the self-governing Dominions of the Empire; it acts in the United Kingdom upon the advice of the ministers of the United Kingdom; it acts in each of the Dominions upon the advice of the appropriate Ministers;—in federal affairs, upon the advice of federal ministers; in provincial and state affairs, upon the advice of provincial and state ministers. It is the same Crown throughout, acting upon the advice of different ministers. That tie of allegiance to the Crown is the tie which chiefly binds together the Empire to-day so far as constitutional considerations are concerned.

We sat on alternate days in the Imperial War Cabinet and in the Imperial War Conference. On days when the Imperial War Cabinet did not sit the war did not wait; therefore it was necessary that the British Cabinet itself should sit on those days to deal with questions arising out of the war. This result, therefore, very early obtained: that the Imperial War Cabinet was differentiated from the British War Cabinet; that the Imperial War Cabinet sat for the purpose of dealing with matters of common concern to the whole Empire, and the British War Cabinet sat for the purpose of dealing with those matters which chiefly concerned the United Kingdom.

There was for the first time in London an Imperial War Cabinet. But there was

more than that. There were two Cabinets advising the Crown, one an Imperial War Cabinet advising the Crown in respect of matters of common Empire concern, and the other a British War Cabinet advising the Crown in respect of matters which chiefly concerned the affairs of the United Kingdom. I do not mean to suggest that this differentiation was absolute; it was carried out as best it could be carried out. I ventured to bring the subject to the attention of the statesmen of the United Kingdom and the people of the Empire in an address which I delivered in London before the Empire Parliamentary Association in the early weeks of my arrival there. The idea has so impressed itself upon the people of the United Kingdom, and upon their statesmen, that at the very last meeting of the Imperial War Cabinet a definite offer was made to the overseas Dominions that this experiment should be continued in the future; that it should develop into a usage and into a convention; and that annually at least, and, if necessity should arise, oftener, there should assemble in London an Imperial Cabinet to deal with matters of common concern to the Empire.

It is perfectly obvious that such a proposal cannot include the large cabinet to which Great Britain may revert after this war is over. It is idle to speculate or to conjecture as to whether the present system of a very small number of men in the Cabinet will continue; I think it likely that it will not continue. Therefore the future of this proposal will be a cabinet of governments rather than of ministers; a cabinet in which the Government of the United Kingdom, the Governments of the Dominions, and the Government of India will be represented. Having regard to the declarations of the Prime Minister of the United Kingdom and his colleagues, the proposal will carry with it much of advantage to the overseas Dominions. I say that for this reason: it is not proposed that the Government of the United Kingdom shall, in foreign affairs, act first and consult us afterwards. The principle has been definitely and finally laid down that in these matters the Dominions shall be consulted before the Empire is committed to any important policy which might involve the issues of peace or war. The language in which the Prime Minister of Great Britain conveyed his proposal to the ministers from the Dominions made that abundantly clear. So, as I understand the proposal—and I think I understand it correctly—the British Cabinet shall continue to discharge its functions in respect to all matters relating to the United Kingdom, but there shall be also an Imperial Cabinet, in which not only the United Kingdom, but all the overseas Dominions shall be represented by their Governments.

The representatives of the United Kingdom will consist of the Prime Minister, the Foreign Secretary, the Secretary of State for India, the Secretary of State for the Colonies, and very probably the Secretary of State for War, and the First Lord of the Admiralty. The representatives of the overseas Dominions will be their Prime Ministers, and if the Prime Minister is unable to attend some minister of first rank must attend in his place, who, for the time being, shall possess the authority and exercise the functions of the Prime Minister for that purpose. It is idle to have an Imperial Cabinet unless those who assemble around the council board are possessed of the authority for the time being to carry out the proposals which may be agreed to. It may be said, in criticism of this proposal, that what the Prime Minister of one of the Dominions might there agree to, he could not afterwards carry out because the assent of Parliament might be withheld. That criticism, however, is equally applicable to any policy that a government might bring down, and, therefore, it does not seem to constitute a grave objection to the proposal which has been outlined by Mr. Lloyd George.

We all know that the future constitutional relations of the Empire have been a matter of much discussion in parliaments, in the press, and by constitutional writers and others. We also know that men who have given thoughtful and careful study to the subject have been much perplexed as to what those future relations may be. We have, on the one hand, self-government enjoyed by each of the overseas dominions; we have that autonomy of which they are rightly jealous. We have, on the other hand, the necessity of consultation and co-operation; and how to reconcile the aspirations of the overseas dominions on the one side or on the other, to bring about unity and concentration of purpose in great matters of common concern and at the same time to safeguard the rights of self-government which the overseas dominions at present enjoy, has been a matter involved in much difficulty and complexity. It seems to me that many of the difficulties are likely to be cleared away by the proposal of Mr. Lloyd George. I do not pretend to prophesy that this will be the ultimate form in which

necessary consultation and co-operation will be brought about. It would be idle to pass any conjecture on that subject; so many prophecies have failed of fulfilment that one is naturally unwilling to commit himself to any prophecy on the subject. But this at least may be said of Mr. Lloyd George's proposal: it does not sacrifice in the slightest degree the autonomy or the power of self-government which is possessed by each of the dominions. The ministers from overseas go there as the heads of their governments. They are responsible to their own parliaments; as the Prime Minister of the United Kingdom goes there responsible to his parliament.

They go there as the representatives of autonomous governments, each responsible to an independent Parliament. They meet there for the purpose of consultation, co-operation, and united action, but that action can be taken only with the sanction and authority of the representatives of the various nations of the Empire assembled in their own Parliaments. Therefore, there is no sacrifice of any existing power of self-government. There is, on the other hand, opportunity for consultation, co-operation and united action, which I venture to think will prove of great advantage to the Empire as a whole.

The deliberations of the Imperial War Cabinet were necessarily secret. They covered almost every conceivable subject connected with the prosecution of the war, the terms of peace, and the problems to arise after the conclusion of the war. I was greatly impressed with the enormous variety and vast complexity of the problems that have to be taken into consideration by the British Government from day to day. I made it my business, when I first went to London, to go to the offices of the British War Cabinet for the purpose of examining the correspondence just for a single day. Before we arrived in London, all precedents had been cast aside in the methods of the British War Cabinet. When, in 1915, I sat for the first time in that Cabinet, it was an unwritten law that no record should be made of its proceedings and that no member of the Cabinet should make any note of the conclusions arrived at. In Great Britain administration is not carried on in the same way as here. Our Cabinet is a committee of the Privy Council. Matters are dealt with in recorded form. We pass Orders in Council, sitting as a Cabinet, sitting as a Committee of the Privy Council. The meetings of the Privy Council in Great Britain are formal affairs, and the meetings of the Cabinet are absolutely apart and distinct from the formal meetings of the Privy Council in which no debate takes place and in which the proposals placed before the Privy Council are accepted as a matter of course. The British War Cabinet, as constituted when we arrived in Great Britain, kept a complete record of its proceedings; it had half a dozen secretaries at least, several of whom attended each meeting, resolutions were passed and conclusions were recorded in writing. All precedents of the past had been put to one side, and entirely new methods had been adopted. Voluminous records are kept in the offices of the War Cabinet. The day I examined the correspondence of the War Cabinet, I suppose there were at least 200 telegrams dealing with every conceivable subject, with matters arising in almost every country in the world, neutral, allied, or enemy. There were questions arising in all parts of the world—from every country in the world there pours in from day to day correspondence regarding matters requiring the attention, not only of the Foreign Office, but of almost every department of the British Government. I am bound to confess that my visit to London gave me a wider and clearer view than I could otherwise possibly have obtained of the tremendous duties and responsibilities imposed upon the British Government in this war.

So far as the deliberations of the Imperial War Cabinet are concerned, I can speak of them only generally; they will be alluded to in my subsequent remarks. I might, however, be permitted to read to the House a letter which I addressed to Mr. Lloyd George on the 30th of April, shortly before my departure from England, and the reply which I received from him. My letter reads:

Dear Mr. Lloyd George,—

As we are about returning to Canada I desire to express the thanks of the Canadian ministers for the courtesy and consideration extended to us on all occasions and for the opportunities afforded to make ourselves fully acquainted with the highly important subjects which have come under consideration in the Imperial War Cabinet. The deliberations in which we have taken part have made us realize more fully the vastness and complexity of the problems involved in the successful prosecution of the war and in the determination of the conditions on which peace might be made.

While our absence from Canada has been greater than we anticipated or desired, we realize that the purpose for which we crossed the Atlantic could not have been accomplished within a shorter period.

The step which you have taken in summoning the Imperial War Cabinet is a notable advance in the development of constitutional relations, and I am confident that the usage thus initiated will gradually but surely develop into a recognized convention.

I pray that the united effort of our Imperial Commonwealth may speedily be rewarded with such decisive victory as will assure an abiding peace. Believe me,

Yours faithfully,

(Sgd.) R. L. BORDEN.

To which Mr. Lloyd George replied on the 2nd of May:

My dear Sir Robert,—

I am very much obliged to you for your kind letter of April 30.

I should like to say how much we have appreciated the promptitude with which you accepted our invitation to attend the meetings of the Imperial War Cabinet under circumstances which involved a grave measure of risk for yourself and your colleagues, and our request that you should delay your departure until all the important business which had to come before us had been concluded. I feel, however, that you will agree with me in thinking that the work which the Imperial War Cabinet has done has amply justified the requests which we have made of you. I cordially agree with what you say about the importance of its meetings. If they have been of value to you, we have found them of not less value to ourselves.

It has been of immense advantage to bring to bear upon the vital problems of war and peace, fresh minds and fresh angles of vision from the Overseas Dominions. I believe that this new experiment will prove, as you suggest, a permanent convention of our constitution, for its recent meetings have unquestionably contributed not only to unity of purpose among the peoples of the Empire, but to the vigour with which we hope to prosecute the war and the clear-sightedness with which we shall enter upon the negotiations for peace.

Yours sincerely,

(Sgd.) D. Lloyd George.

Sir SAM HUGHES: I do not understand from my right hon. friend's remarks the duties or the functions of the present British Cabinet. As I understand it, there is an Imperial War Cabinet, a British War Cabinet and a British Cabinet. What are the functions of the British War Cabinet as distinct from those of the British Cabinet, and the Imperial War Cabinet?

Sir ROBERT BORDEN: The Imperial War Cabinet advise the Crown in respect to all matters connected with the prosecution of the war. The British War Cabinet advise the Crown more especially in matters concerning the work of the United Kingdom in the war.

Sir SAM HUGHES: That is not the British War Cabinet.

[Sir Robert Borden.]

Sir ROBERT BORDEN: We call it the British War Cabinet. The "British War Cabinet" and the "British Cabinet" are interchangeable terms. In Great Britain it is called the War Cabinet. I alluded to it as the British War Cabinet for that reason.

Sir SAM HUGHES: I understand that ministers who are not members of the British War Cabinet are nevertheless members of a general British Cabinet.

Sir ROBERT BORDEN: My hon. friend overlooks the fact that in Great Britain all the members of the Government are not members of the cabinet.

Sir SAM HUGHES: I know that.

Sir ROBERT BORDEN: The cabinet has been made a very small one of only five members, two of whom have no portfolios.

Sir SAM HUGHES: That is the point I want to make clear.

Sir ROBERT BORDEN: The other members of the British Government are not members of the British Cabinet, but they are called into consultation in the British Cabinet whenever matters especially concerning their departments come up for consideration. In the future, however, when the British Cabinet will probably be larger than it is to-day, the Imperial Cabinet will include, not the whole British Cabinet, but certain selected ministers, that is to say: the Prime Minister, the Foreign Secretary, the Secretary of State for War, the First Lord of the Admiralty, the Secretary of State for the Colonies, and the Secretary of State for India. They will represent the British Cabinet in the Imperial War Cabinet, and the Dominions will be represented in that cabinet by their prime ministers.

As to the Imperial War Conference. Some of its deliberations and resolutions are for the present confidential and will not be published at once, but the greater portion has been made public. A blue book is now in preparation, and as soon as it is received it will of course be placed upon the table of the House and printed for the use of members. The subjects under consideration included the constitution of the Empire, the development and control of natural resources, Imperial preference, co-ordination of military equipment and stores, production of naval and military munitions and supplies, naval defence, care of soldiers' graves, naturalization, representation of India at future Imperial Conferences, the

position of Indians in the self-governing dominions, removal of temptations to which overseas troops are now exposed, the trade commissioners' service, patents and other subjects.

The question of constitutional readjustment naturally came up for consideration. I think it is advisable that I should speak of that in the first instance, although it was not the first resolution passed. I shall not speak in detail of all the resolutions, but I shall allude to only the more important ones, and if any discussion is required as to the others, it can more conveniently be had after we have the full record of the proceedings of the conference so far as they can be made public. I called into informal consultation the ministers from the other dominions and we discussed the question of constitutional readjustment pretty fully and carefully among ourselves. In the end we found that we were not very far apart in our views, and in the net result I had the honour of moving in the conference this resolution. I should say at this point that all the proposals which have been put forward by the Prime Minister of the United Kingdom with regard to an Imperial Cabinet are subject to the conclusions which may eventually be reached by the conference mentioned in this resolution, which is as follows:

4 p.m.

The Imperial War Conference are of opinion that the readjustment of the constitutional relations of the component parts of the Empire is too important and intricate a subject to be dealt with during the war, and that it should form the subject of a special Imperial Conference to be summoned as soon as possible after the cessation of hostilities. They deem it their duty, however, to place on record their view that any such readjustment, while thoroughly preserving all existing powers of self-government and complete control of domestic affairs, should be based upon a full recognition of the Dominions as autonomous nations of an Imperial Commonwealth, and of India as an important portion of the same, should recognize the right of the Dominions and India to an adequate voice in foreign policy and in foreign relations, and should provide effective arrangements for continuous consultation in all important matters of common Imperial concern, and for such necessary concerted action, founded on consultation, as the several governments may determine.

Now, I am aware that some criticism from a certain standpoint may be made of that proposal, because it may be urged that it does not lead to a sufficiently close organization of the Empire. There have been proposals put forward for an Imperial Parliament which should have taxing powers for certain purposes over all the Dominions as well as over the United Kingdom. As far as I am concerned, and I think the other members of the Conference thoroughly concurred in this view, I regard that proposal as neither feasible nor wise.

Some hon. MEMBERS: Hear, hear.

Sir ROBERT BORDEN: I venture to think that the Dominions have done more for the common cause that we all have at heart in this war than could have been accomplished by any Imperial Parliament possessing the powers to which I have alluded.

Some hon. MEMBERS: Hear, hear.

Sir ROBERT BORDEN: And I think that the best guarantee of what the Dominions are prepared to do for a great common purpose in the future, is the record of what they have done during the past three years. I should say this, however, in justice to those who have been advocating different views with great ability and with great earnestness, that I do think all the parliaments and peoples of the empire are greatly indebted to the groups of young men in the Mother Country and throughout the Empire who have taken up this subject and studied it and issued many able publications with regard to it. Their work has been most earnest, unselfish and devoted, and it has had this good effect; it has concentrated the opinion of the great mass of the people upon these problems of great common concern. So while I am unable to accept some of the conclusions which they have reached, I nevertheless feel that the Empire lies under a debt of gratitude for the work which they have done in that regard.

This resolution was accepted unanimously by the Conference. I am happy to say that from first to last in all the proceedings of the Conference there was not one dissenting voice from any conclusion which the Conference reached. Every conclusion was absolutely unanimous, and I think this was perhaps due to the fact that certain subjects which did involve difficulty were first taken up informally in private discussion, and a conclusion was thus reached.

I should say this, further: A special Imperial Conference is to be summoned immediately after the war for the purpose of considering constitutional readjustment. I raised the question, and so did others, as to the constitution of that conference. I entertained the view, and I know that it was shared by others, that such a conference

should include representatives of the recognized political parties in all the Dominions of the Empire. This is too great a question to be made a matter of party controversy, and if I should have anything to do with the selection of the representatives of Canada at that special conference I desire now to say, without any qualification, that I should ask the leaders of the opposite party to go with me to that conference, so that we might take counsel with each other and with the other members of the conference as to these vital questions.

The next subject to which I shall allude is the development and control of natural resources. This resolution was regarded as of some importance. I proposed it to the Conference, and at the request of the Prime Minister of the United Kingdom it was brought into the Imperial War Cabinet and discussed there. It was unanimously adopted both by the Imperial War Cabinet and by the Imperial War Conference. Its terms are as follows:—

Having regard to the experience obtained in the present war, this Conference records its opinion that the safety of the Empire and the necessary development of its component parts, require prompt and attentive consideration as well as concerted action with regard to the following matters:—

1. The production of an adequate food supply and arrangements for its transportation when and where required, under any conditions that may reasonably be anticipated.

2. The control of natural resources available within the Empire, especially those that are of an essential character for necessary national purposes, whether in peace or in war.

3. The economical utilization of such natural resources through processes of manufacture carried on within the Empire.

The Conference commends to the consideration of the Governments summoned thereto the enactment of such legislation as may assist this purpose.

It is beyond question that when this war broke out the Germans were utilizing for their own purposes—their own national purposes, the building up of their industries—natural resources from many parts of our Empire, and in some instances natural resources which could not be obtained in the same abundance and of the same quality elsewhere. I venture to think, and I have so stated in the United Kingdom, that Germany had a better knowledge and conception of the natural resources of the Dominions of this Empire than was to be found in the United Kingdom itself before the war. I have little doubt of that, and if you had the opportunity of hearing what was recounted to me from other Dominions you would have little doubt. I will give one incident with regard to our own country which was

[Sir Robert Borden.]

brought to my attention the day I left Canada. The president of a Canadian company which has vast mineral resources on the island of Newfoundland told me that about two months before the war he was in Germany and had occasion to call upon one of the managers of Krupps. Reference was made to these mineral resources, and the gentleman to whom I have referred spoke of their development. The manager rang a bell, called in a clerk, and to the Canadian's great surprise, the clerk placed before them a plan of the workings at Belle Isle, which not only showed those workings as they were when he had left Canada a month or two before, but even showed the developments which had taken place during his absence. This gives one an idea of the thoroughness with which the Germans watch the development of our natural resources, and of their methods. I venture to think that this resolution, which has commended itself to the Imperial War Cabinet and the Imperial War Conference, will also commend itself to the Parliament and people of Canada. We have resources so varied and abundant within this Empire, that we need not fear any effort Germany may make to dominate the world commercially or industrially after the war. But I have absolutely no doubt that such an effort will be made by the Germans, and, indeed, there is the most reliable information that systematic arrangements for that purpose are being carried on in Germany to-day. If we have anything like the same resourcefulness, the same thoroughness, the same self-confidence, the same courage as they have put into their efforts in the past and will put into their efforts in the future, we have nothing to fear. The resources of this Empire are beyond all comparison greater than any that Germany can command. She cannot dominate the world commercially or industrially any more than she can dominate it by her military power.

The next resolution to which I call attention is one concerning Imperial preference. This resolution was brought forward by Mr. Massey, in the first instance, at the Imperial War Conference and was afterwards with some amendments approved by the Imperial War Cabinet.

The time has arrived when all possible encouragement should be given to the development of Imperial resources, and especially to making the Empire independent of other countries in respect of food supplies, raw materials, and essential industries. With these objects in view this Conference expresses itself in favour of:—

1. The principle that each part of the Empire, having due regard to the interests of our Allies,

shall give specially favourable treatment and facilities to the produce and manufactures of other parts of the Empire.

2. Arrangements by which intending emigrants from the United Kingdom may be induced to settle in countries under the British flag.

I should say at once that this resolution does not necessarily purpose, or even look to, any change in the fiscal arrangements of the United Kingdom. It does not involve taxation of food; it does not involve taxation of anything. As far as the fiscal system of the United Kingdom is concerned, I followed when in England precisely the same course that I have carried out in this Parliament and in this country—I decline to interfere in matters which are of domestic concern and should be the subject of domestic control in the United Kingdom. I declined to invite them to change their fiscal policy. These matters are within their control, as our fiscal policy is within ours. And I would go further and say that the people of Canada would not desire the people of the United Kingdom to change their fiscal policy for the purpose alone of giving a preference to the producers of this country, especially if the proposed fiscal changes should involve any supposed injustice, should be regarded as unfair or oppressive by a considerable portion of the people of the United Kingdom. But what this proposal looks to, as I understand it, is this—that we can within this Empire establish better and cheaper facilities of communication than we have enjoyed up to the present time. That, I believe, is the line along which the change indicated will proceed. The question of transportation has been a very live one, a very important one, to the producers of this country, especially those of the western provinces. We know that before the commencement of the war the cost of transportation across the Atlantic increased twofold or threefold. There was sometimes a dearth of ships. I hope and believe that there will be concerted action and co-operation between the government of the United Kingdom and the governments of the Dominions, by which speedier, better, and more economical transportation will be provided between the Mother Country and the Dominions, and between the Dominions themselves. So, in this light, I am confident that the resolution passed by the Conference will receive favourable consideration by the people of this country.

The next resolution I will take up deals with the question of naval defence. The resolution unanimously adopted is as follows:

That the Admiralty be requested to work out immediately after the conclusion of the war what they consider the most effective scheme of Naval Defence for the Empire for the consideration of the several Governments summoned to this Conference, with such recommendations as the Admiralty consider necessary in that respect for the Empire's future security.

It would be impossible to do that during the war; the Admiralty frankly told us so. In the first place they are too busy, and, in the second place, they desire to learn thoroughly the lessons of this war before they reach conclusions that they would commend to the overseas governments. The development of submarine warfare during the past three years has been so important and so serious as to cause the authorities of the Admiralty to reconsider more or less the whole position. But we do believe that after the war is over it will be necessary for the United Kingdom and the Dominions to take up this question in co-operation and with a view to concerted action. For that purpose the Admiralty will prepare, with the least possible delay after the war is over, a scheme by which we can act together for this great common purpose.

I do not need, I hope, in the presence of hon. gentlemen in this House, to emphasize the importance and necessity of this. It is obvious that if the communications of this Empire on the ocean are cut, the Empire cannot hold together. That is apparent and clear to all. It is a matter of congratulation to us that although there is a serious menace in the submarine campaign which Germany has carried on, this has been met with at least some success up to the present and I hope it will be met with still more success in the future. Outside of the submarine campaign, we all rejoice that the ocean was swept practically clear of the German flag within a few months after war broke out. That is a great achievement. It means as much for us as it does for the people of the United Kingdom. What enables our producers, what has enabled them during the past three years, to send their products at greatly increased prices across the ocean for the sustenance and comfort of the people of the United Kingdom and for the purpose of carrying on this war? It is the organized power of the British Empire in the Navy—that, and that alone. What is it that keeps Quebec, Montreal, Halifax, St. John, Victoria and Vancouver from being raided by enemy cruisers, from seeing women and children murdered in their streets by German shells and from all the horrors and barbarities that even some of the towns in

the United Kingdom have suffered? I say again that it is the organized power of the Empire in our Navy. Therefore, it is a matter of concern to us, as to the United Kingdom, that the naval power of this Empire shall be kept up and increased in such measure that the ocean paths shall not be closed to us whether in peace or in war.

The next resolution to which I invite your attention relates to the care of soldiers' graves, a most sacred duty devolving upon the people of the Empire. The resolution which was passed in regard to that is as follows:

The Conference, having considered the minute addressed to the Prime Minister on the 15th March, 1917, by His Royal Highness the Prince of Wales, concurs in the proposals made therein, and humbly prays His Majesty to constitute by Royal Charter an Imperial War Graves Commission for the purposes stated by His Royal Highness, and along the lines therein set forth as embodied in the draft charter submitted to the Conference. The Conference places on record its very deep appreciation of the generous action of the French Government in allotting in perpetuity the land in that country where our men are buried, and urges that similar arrangements should be made, if possible, in the terms of peace with all governments—ally, enemy, or neutral—for a similar concession in Gallipoli, Mesopotamia, Africa, and all other theatres of war. The Conference desires to record its grateful appreciation of the work already done by the Prince of Wales and his Committee in caring for the graves of those who have fallen in the common cause of the Empire, and its satisfaction that His Royal Highness has consented to become the President of the permanent Commission.

The Commission will be constituted of representatives of the United Kingdom and the overseas Dominions and they will be charged with the care of the soldiers' graves. I should say that France generously offered to undertake the care of the graves of all the soldiers of the Empire who were buried within her territory. With the most grateful appreciation of that fine, that splendid, offer on the part of the French nation, it was thought better that we should ourselves undertake that sacred duty. So it is to be. The Commission will have full power and jurisdiction to deal with all these matters. It is hoped that territory in neutral or in allied countries where our men are buried, may be secured, and it is proposed that whatever expense is necessary for this sacred purpose shall be undertaken by the Mother Country and by the Dominions upon some satisfactory basis. In the early future, the Royal Charter will be issued, the Commission will be constituted and the work, which has already received care and attention, will be carried out upon the lines indicated.

The next resolution is that relating to the representation of India. I moved this resolution, and I have no doubt that the course which the Conference took was absolutely wise. The resolution is as follows:

That the Imperial War Conference desires to place on record its view that the resolution of the Imperial Conference of 20th April, 1907, should be modified to permit of India being fully represented at all future Imperial Conferences, and that the necessary steps should be taken to secure the assent of the various Governments in order that the next Imperial Conference may be summoned and constituted accordingly.

I should read in connection with that another resolution in regard to India as to which a word might be said. It is this:

That the Imperial War Conference, having examined the memorandum on the position of Indians in the self-governing dominions presented by the Indian representatives to the Conference, accepts the principle of reciprocity of treatment between India and the Dominions and recommends the memorandum to the favourable consideration of the Governments concerned.

As far as the representation of India is concerned, I am absolutely confident that it will be productive of good. I had more than one illustration of that during the Conference itself. The Indian representatives were the Maharaja of Bikaner, one of the native Indian princes and a man of splendid loyalty and devotion who governs his country along progressive lines, and who has contributed in every possible way to the winning of this war. Another Member Designate of the Viceroy's Executive Council of the Governor of Bengal, a man of notable learning, experience and ability and of great fairness and moderation as well. The third was Sir James Meston, Lieutenant Governor of the United Provinces, who has had a distinguished career as a civil servant in India, and who also is a man of commanding ability and wide experience. I found it of very great advantage in discussing matters of common concern to India and ourselves that we had the representatives of India at the Conference. I invited the members of the Conference to meet informally at the hotel at which I was staying, and we had a free, full and frank discussion of the whole situation insofar as the Dominions are concerned. India has had matters of difference, matters sometimes of controversy with South Africa, perhaps also with Australia and New Zealand, and on some occasions with Canada. Sir Satyendra Sinha stated the case from the Indian

standpoint with great ability and fairness, conspicuous moderation and very deep feeling. His address to us was not the less impressive because it was so fair and so moderate. On our part, we spoke with equal freedom, equal frankness, and, I hope, with equal moderation. The net result was the resolution at which we arrived, and which I have read. Its basis is the idea that the self-respect of India shall be maintained by an agreement that whatever measures we enforce in regard to the emigration or the visits of Indians to Canada shall also prevail with regard to the emigration or visits of Canadians to India.

I do not think that anyone in this House can dispute the fairness of that proposal. Upon certain other matters which we discussed I need not dwell to-day. I see nothing but good in the presence of India at that Conference, and I believe that there will be no objection in this House or in this country to having that great dependency of the Empire represented at future meetings. India has been splendidly loyal in this war and has contributed of her manhood and of her treasure for the purpose of enabling us to win it. We must take that all into account. Her civilization is different from ours; it is more ancient, in some respects it may be said to be on a higher plane, perhaps—

Sir WILFRID LAURIER: Hear, hear.

Sir ROBERT BORDEN: There is more of idealism in their civilization; more perhaps of materialism in ours. I am not disposed to discuss the question as to whether one or the other civilization is superior; but I do say that the Indian civilization is entitled to our respect, and that we must do our part in making the inhabitants of that great dependency of the Empire feel that they are not treated with contumely or injustice by the people of any of the Dominions. I believe that purpose will be carried out; I believe it will be materially assisted by the Conference which we had with the Indian representatives.

The question of double income tax was also taken up. I need not read the resolution, which has been made public. It was very fully and forcibly discussed, and in the end a resolution was adopted which looks to action by the British Government immediately after the conclusion of the war.

We took up also the question of protection to overseas soldiers from certain temptations, and to the lack of adequate action on the part of the home authorities. If there was one subject on which I did express myself with unusual vigour, it was on that particular subject. I am bound to say that I do not think sufficient care or attention has been given to this subject by the Imperial authorities, and I very frankly told them so. There was an earnest promise of redress in that regard, a promise of more adequate protection, and the removal of temptation; and I venture to hope, with considerable confidence, that the action which we took in the Imperial Conference on that subject will be productive of good results.

In the Imperial War Conference we also took up the cattle embargo, which has been a source of irritation to the people of this country for many years past. I do not hesitate to say, what I said in the Conference and what has been many times said, that if the United Kingdom desire, for the protection of any industry in the United Kingdom, to keep Canadian cattle out of that country, we have not the slightest objection to their doing so. But we want them to do it directly, and not indirectly. We consider that, if the embargo is maintained for any such purpose, as I took the liberty of asserting, it is a great injustice to Canada that it should be maintained, and it ought to be removed. I said to them: If you desire to keep our cattle out pass a law to keep them out; keep your own course with regard to your own fiscal matters, with regard to your industries, with regard to your productions; we do the same with regard to ours, and we are perfectly content that you should do the same with yours; but do not, on the pretense that our cattle are diseased, keep them out for any such purpose. I am not at liberty to make any announcement on the subject to-day beyond this, that the representations which we made were received as favourably as we could have expected by the head of the Department of Agriculture, Mr. Prothero. I must allude, in that connection, to the great service which was rendered in this matter by my colleague, Mr. Rogers, who, at my request, took the subject up immediately on his arrival in Great Britain. He was indefatigable in carrying out the purpose that we had at heart; he brought it up in the Conference, argued it with great earnestness and ability, and eventually succeeded in having the Minister of Agriculture come to the Conference for the purpose of a frank discussion of the whole question. After that discussion had taken place we received the very favourable indication to which I have already alluded.

In addition to the Imperial War Cabinet and the Imperial War Conference, we were very actively engaged in many other matters relating to the war. There were all conceivable questions with regard to its prosecution, to which I have already alluded. We had to take up the question of naval protection during the war, we had to take up many questions with regard to the Canadian Expeditionary Force, with regard to the provision of shipping, food supply, the restriction of imports, and a score of other questions which arose from time to time and which kept us most actively engaged. I believe that there was some suspicion in this country that the overseas ministers were occupying their time in enjoying themselves, and were not very actively engaged. I have been accustomed to reasonably hard work all my life, but I venture to say to the members of this House and to the people of this country that I never worked more incessantly or more actively during any like period than I did during the period I was in England. That, I think, is equally true of my colleagues. Mr. Rogers attended the meetings of the Empire Land Settlement Committee, to which not only he, but representatives of all the provinces of Canada were appointed while we were in London. He took up also questions relating to the purchase of Canadian wheat and cheese, the provision of dry docks in Canada, and other important subjects, and in connection with many good progress was made.

Mr. Hazen was in continual conference with the Admiralty and the Minister of Shipping with respect to the provision of tonnage, Atlantic coast patrol, restriction of imports from Canada, and the requisitioning of Canadian ships by the Admiralty. He served on a very important committee of the Imperial War Cabinet. Both he and Mr. Rogers interested themselves actively in all matters affecting the welfare of the Canadian forces.

Sir George Perley attended all the meetings of the War Cabinet and of the War Conference and was of invaluable assistance throughout in all the matters to which I have alluded.

We also were in conference with several departments of the British Government and with General Macdougall, of the Canadian Forestry Corps, as well, respecting the utilizing of certain Canadian products, such as cars, locomotives and lumber. General Macdougall took a very keen interest in all such matters and credit should be given to him for his zeal and activity in promoting Canadian interests in that way. We also took up the question of exchanging Canadian soldiers and civilians interned or imprisoned in Germany and the amelioration of their lot, and we did everything that seemed possible of accomplishment.

I have spoken of my visit to France. It might interest members of this House if I should say a few words about the Canadian Army Corps and its achievements during the past six months. After our visit to France, all the members of the Conference were invited by the French Government to visit Paris, where they proposed to receive and entertain us; but owing to the necessity of returning to Canada with the least possible delay, we were unable to accept the invitation, and, so far as I know, none of the representatives of the Dominions will be able to accept. I regret this because I should greatly have liked to take a message from this Parliament and from the people of Canada to the French Government and the French nation, assuring them of our admiration of the splendid courage, patience and fortitude with which they have endured this war and all that it has meant to that nation. No one can realize it who has not been in France and has not seen the devastation that has been wrought there. I was opposite Vimy Ridge early in March with the Canadian Army Corps. I went in the first place to visit the Canadian Corps, and afterwards I was at British headquarters and at French headquarters. On a third or fourth day I was on the Somme battlefield and saw there some of the territory that had been wrested from the Germans by the valour of the Canadian troops. When I was in France in July, 1915, there was one Canadian division at the front. I then had the honour and privilege of seeing the Canadian troops and of speaking to them at that time near "Plugstreet," opposite Messines. When I was in France on this occasion, twenty months afterwards, there were four Canadian divisions at the front, a full army corps—up to strength, and then 6,000 over strength. There were 130,000 Canadian troops in France when I was there, if one includes the lines of communication units, the Canadian Railway Corps and the Canadian Forestry Corps. I need not speak to you of their record; the record speaks for itself. I was there during the preparation for the Vimy fight and I saw the men rehearsing the work which they were to un-

dertake. It was a splendid compliment to the Canadian troops that they were selected to make that attack upon a ridge which had been assaulted many times, but had never been taken; and it is even a greater tribute to the valour, the discipline and the resourcefulness of those troops that they took Vimy Ridge without being stopped once in their attack. I saw the plan of the operations. We knew that the attack was coming, but we did not know when it was coming. We were full of apprehension, because, as I have said, the ridge had been assaulted many times, but every attack had been repulsed with great loss. It must be said, however, that never was an attack upon Vimy Ridge or upon any other position preceded by such tremendous artillery preparation as that which preceded the Vimy attack. General Smuts, distinguished both as a soldier and as a statesman, who was in France on the day when the artillery preparation began and during part of the following day, told me that in the history of modern warfare there was nothing approaching the bombardment with which that attack was heralded. He said something further which may be of interest to this House: that he had called for the records showing the amount of munitions on hand after that bombardment had proceeded for 24 hours, and he had been astonished to find the arrangements so excellent that they had more shells on hand than when they commenced the bombardment. Canadians at the front, in the British Islands, and I hope, everywhere, have learned the value of discipline. They have learned that discipline is necessary in an army, and I believe that it was because of their good discipline, as well as of the confidence reposed in them by their officers, that that attack was so successful. The plans which I saw showed the German trenches extending very far back, our own line of trenches not extending to anything like the same depth. One plan showed the objectives to be attained. Another showed the arrangements for the barrage, beginning at 5.30 in the morning—zero, they called it— then proceeding at intervals of five minutes until the division on the right was to attain its final objective at half past two. They went on with the barrage in front of them —just as I had seen them rehearsing it; going on behind a line of men with rifles at the slope, representing the barrage. They went on, and at 2.26, the division on the right, which had the furthest to go in gaining its objective, was able to telephone back seven miles, over wires laid while the battle was being waged, informing those in charge of the guns that they could lift the barrage, as the troops were all ready to occupy their final objective at half past two. Behind one of the divisions a number of pioneers were going forward laying their wires. They found a German tunnel. It was safer inside than outside; they went in. While laying their wire in the tunnel they discovered a number of Germans. The pioneers are not supposed to be a combatant force, but they are always ready for a fight; so there was a fight, with the result that the Germans were overpowered. It is recorded that a sergeant of the pioneers marched proudly back with 16 German prisoners and claimed from the enclosure a receipt showing that they had been taken by the pioneers. In the tunnel mines were found ready to be exploded until the pioneers cut the wires.

I may, perhaps, be pardoned if I give to the House a short extract from a document which was placed in my possession by an officer who came over with me on the ship. It is a fairly full report from a German intelligence officer of the 79th German reserve division, and it contains information that the Germans had gathered with regard to this proposed attack. I shall read only one paragraph of it:

> Spring Offensive. The spring offensive of the Entente that was to be expected will most probably be staged in this vicinity, perhaps with the intention of turning the Siegfried Line (Drocourt-Queant Line) and thereby defeat its purpose. North of Arras the British will be forced, according to the nature of the ground, to deliver a joint attack on the long narrow Vimy ridge, the possession of which gives them command of the high ground in this vicinity and would also be a safeguard against German attacks on the left British flank near Arras.
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> Opposed to the Division (79th Reserve) are Canadian troops. The 3rd Canadian Division on the right flank of the Division (79th Reserve Division) came into the line about the middle of March. Recent identifications place the 2nd Canadian Division on the left divisional flank. The extreme flanks of the Canadian Corps have closed in towards the centre so that the Canadian Corps now occupies a smaller front than it did a few weeks ago. The corps is now echelonned in depth and this formation points to operations on a large scale. Behind the front line near Mont St. Eloy extensive billets for troops have been erected and this also points to a strong concentration, and that troops are holding the front in depth. The Canadians are known to be good troops and are, therefore, well suited for assaulting. There are no deserters to be found amongst the Canadians.

I went to see Sir Douglas Haig at headquarters, and I discussed with him matters

of more or less importance relating to the Canadian Expeditionary Force.

When I proposed to return to England the next day, Sir Douglas Haig said to me: "I want you to go and look at the battlefield of the Somme, and I am sure you will come back convinced, as I am, that troops who could capture those positions, can take any position in the world. I want you to go there because some of your own troops have played an important part in that field of operations." I went there. We went through the town of Albert, which has often been spoken of in this House, where the Madonna and Child on the spire still lean over the roof of the ruined church. Among the peasants there is said to be a belief that the war will not end until the statue falls. The Germans deliberately turned their artillery on that church for weeks and finally struck the spire and the church itself is in ruins. We then came to a light railway which was built by the Canadian Railway Construction Corps under the command of General Jack Stewart, and I would like this House and the country to appreciate, more perhaps than they have yet done, the work that has been performed by the Canadian Expeditionary Force. The Canadians have played an important part, not only as combatants at the front, but in every sphere of operations. General Jack Stewart was sent for by the headquarters staff of the Fifth Army not long ago. It was very important that a certain line of railway should be constructed with the least possible delay. The estimate made by experts as to the time required was that it would take six weeks, and if anything like that time should be necessary, the plan of operations would be absolutely interfered with. General Stewart said that he would examine the ground. He went and looked at it; he came back and said: "If you will give me two battalions of the Canadian Railway Construction Corps, I will undertake to build it in a week." He went on with the work and he built that line of railway in four days.

I went forward to the front on a light railway built by the Canadian Railway Construction Corps across land that had been "no man's land," but that is now French land in the possession of the Allies. I have not the power to describe the condition of that country to the House; one must see it in order to realize it. We left that railway and then on a narrow tramway we entered small ammunition cars just large enough for a man to stand up in. We went up to the front past Courcellette, past Thiepval to a plateau beyond. To the right beyond Courcelette was Bapaume and immediately in front of it was the Loupart Wood. To our left was Irles which had been taken the day before after a sharp fight. The guns behind us were bombarding the Loupart wood and it was thought to be almost impregnable, but two days later the Germans scuttled out of it and it was ours. Courcelette was on our right. We afterwards returned to Thiepval which had been a beautiful French village. I can not describe its present condition better than in these words, that it was simply a mass of churned-up mud. There was no sign of street, or house or habitation, no indication that a human being had ever dwelt there, except that in one or two places in the side of a shell crater one might see part of the foundation of a house. The whole country is like that. General Smuts in describing it to me said that the lip of each shell crater touched the lip of another. I am absolutely unable to understand how the British ever got their big guns over land in such condition or how our own men went forward when they took Vimy Ridge. It must be remembered that these shell craters were full of water and men slipping in stood in danger of losing their lives and, I believe, some of them did lose their lives by drowning. The country defies description; it is churned-up earth and mud with a confusion of all kinds of debris. I saw six abandoned tanks to the left of the plateau beyond Thiepval. In Thiepval itself, there were German helmets lying around here and there and points of shells and every kind of debris, barbed wire and all the objects that are used in warfare under modern conditions. I was particularly proud to have the privilege of seeing Courcelette, because the Canadians distinguished themselves in its capture, and in that attack and on other battlefields, no regiment bore itself more worthily than the 22nd French-Canadian regiment which did splendid work in every engagement in which it participated.

The Canadian Railway Construction Corps is performing work of the most vital importance. As far back as 1915 it was, I believe, suggested to the war authorities that railways could be constructed behind the fighting line and utilized to great advantage. The matter was not taken up immediately; but it has been taken up since,

and one of the chief requests that we received from the War Office while we were in England was for additional men for the Canadian Railway Construction Corps and for the Canadian Forestry Corps. What I have said of the Canadian Railway Construction Corps applies with equal force to the Canadian Forestry Corps. The work of these units is not so impressive, but is almost equally important as that of the combatant forces. It is absolutely necessary, as things are at present, that Great Britain should cut down to the utmost the tonnage for the conveyance of articles other than food supplies, and timber takes up an enormous quantity of tonnage. Therefore, in Great Britain and France forests are being sacrificed to-day on every hand in order that the necessary timber for the prosecution of the war may be provided. It is universally admitted on the other side of the Atlantic that the Canadian Forestry Corps is most highly efficient, and the request to us is that we shall send men in as large numbers as possible to assist in the work which they are carrying on.

In Great Britain I visited eight camps in all: Shorncliffe, Crowborough, Shoreham, Seaford, Witley, Bramshott, Hastings, and in Windsor Great Park, a camp of the Canadian Forestry Corps. I found the men in good spirits, in good physical condition, and undergoing careful and effective training; at least it seemed to me excellent. I visited hospitals in Great Britain and France, and everywhere I found our men receiving, so far as I could see, the best of attention. I did not hear a complaint from any man in hospital, except from one man who complained to me that the Germans were not fighting fairly, because, he said, "when the Canadians climbed the Vimy ridge, the Germans did not stand up to them, but ran away instead of fighting like men." I deemed it not only my duty, but my very great honour and privilege, to utilize every spare moment in seeing our men in the hospitals; and I saw only two men from Vimy ridge who did not smile with great satisfaction when I spoke of their having driven the Germans back. Those men could not smile with their lips by reason of their wounds, but they did smile with their eyes. Let me say to the members of this House and to the people of this country that no man wanting inspiration, determination or courage as to his duty in this war could go to any better place than the hospitals in which our Canadian boys are to be found. Their patience, pluck and cheerfulness are simply wonderful. I saw some of those who are near and dear to members of this House in one of the London hospitals after that fight, the brother of one hon. member and the son of another, and I can tell those members that those young men were in fine form, in splendid spirit, proud and happy to have rendered the great service to their country which they were able to accomplish when the Vimy ridge was captured.

There is another thing that should be mentioned, and that is the very, very great kindness of the British people to all our Canadian troops. I have been among them in camps and hospitals and elsewhere, and there was hardly a place I visited where I did not find visitors at the hospitals giving great care and attention to our wounded. The troops themselves realize with the greatest possible gratitude and appreciation the kindness and attention of all those among whom they are thrown, and I know the people of this country, when they realize it in the same way, will be inspired with the same sense of gratitude.

Certain representations have been made to me and also to the overseas authorities from time to time that the Canadian troops contract drinking habits while overseas. I made it my special business to inquire as to that. I inquired of General
5 p.m. Turner, General Steele, and of General Child of the War Office, who has to deal with such matters, and I shall place their reports upon the Table afterwards, I shall not stop to read them now. It is enough to say that these reports indicate that such representations are almost absolutely without foundation. The Canadian troops are not addicted to the habit of drunkenness. It was represented to me by General Steele, in whose word I have absolute confidence, that there is less drinking among the Canadian troops than among any other troops in the United Kingdom, and I thoroughly believe that. Drinking is almost at a minimum. I think General Steele said that three men per thousand per week in the area under his command had been brought up on such a charge during a particular period, and that was a fair average. General Steele said that he believed it was better to utilize the wet canteen than to permit the men to go to public houses near at hand. When troops go to the canteen they are necessarily under discipline and supervision. If there is no wet canteen, and the men go

out to the public houses—and you cannot very well prevent them—they are not under the same discipline or supervision, and almost all the difficulty has arisen in that way, and not through the wet canteen.

So far as general war conditions are concerned—I am sorry to have had to trespass so long on the attention of the House, but I am dealing with an important subject, and some of these matters that seem trivial may yet be of interest—all realize that there were great developments during our visit to Great Britain. We started almost immediately after the submarine campaign commenced, and while we were there the fortunes of war in many theatres of operations were very largely in favour of the Allied nations. There was a great victory in Mesopotamia. The offensive was assumed with marked success by the British armies in France and substantial advances were made. But I hope that hon. gentlemen in looking at the map will realize that the territory won by the offensive which commenced this spring is only an insignificant part of the Allied territory that is still held by the Germans. The overwhelming power of our artillery impressed me as very much greater in the fighting this spring than it was on the Somme. But a great struggle still lies before us in this war; that is the message I bring back to you from Great Britain and from the front.

A great struggle lies before us, and I cannot put that before you more forcibly than by stating that at the commencement of this spring's campaign Germany put in the field 1,000,000 more men than she put in the field last spring. The organization of the man-power of that nation has been wonderful. Awful as are the barbarities and methods which she has perpetrated and used, one cannot but admit that the organization of the national life of that country throws into the field absolutely the full power of the nation.

Sir SAM HUGHES: Does that 1,000,000 include troops of other nations besides Germany, or Germans only?

Sir ROBERT BORDEN: It includes Germans only. Germany has managed so to organize her national life that she was able to put in the field at the commencement of this spring's campaign 1,000,000 more men than she put in the field at the commencement of her campaign last spring. That is the information that was given to me, and which I think it is my duty to place before the House, in order that the conditions at the front may be realized and understood.

[Sir Robert Borden.]

Now, I desire to speak with discretion and moderation in these matters, but I cannot too strongly emphasize my belief that a great effort still lies before the Allied nations if we are going to win this war, and it is absolutely inconceivable to me that we should not win this war. The unsettled political conditions in Russia undoubtedly have handicapped the effort on the eastern front, and thus enabled Germany to make a greater effort on the western front.

Against these considerations there is the fact that a great kindred and neighbouring nation has entered into the war on the Allied side, the United States of America. That important event, which took place during our absence, must exercise a tremendous effect not only upon the issue of this war, but upon the future of the world. The fact that citizens of the United States are to fight side by side with the soldiers of our Empire cannot but have a splendid influence on the future of the two nations. Although the relations of the two countries have been good for many years, this notable event must do much to wipe out certain memories, and I know that the Canadian forces at the front will be delighted to fight side by side with those from the great republic to the south. There are in the Canadian Expeditionary Force more than 9,000 men who give their next of kin as resident in the United States of America. I do not say that all these men have come directly from the United States; some of them may have emigrated to this country, leaving their relatives, or next of kin, on the other side of the line; but 9,000 who were undoubtedly born in the allegiance of the United States are now fighting in the Canadian Expeditionary Force.

But although the United States has entered this war, we do not know how long it will be before the tremendous power of that nation can be translated into military effort. It cannot be done in a few weeks; it cannot be done fully in a few months. We know that from our own experience; the British government know it from their experience, and, therefore, it must not lead to any relaxation of effort on the part of the Empire, or on the part of any of the Allied nations.

I pause to say a few words about the submarine campaign. Perhaps its seriousness may not be realized by those who have not been brought closely in touch with events from week to week, and with confidential information which has been made available to those who have attended the Imperial War Cabinet.

I believe it will be met; I believe there is enough determination, enough resourcefulness, enough self-denial, and enough courage on the part of this Empire to meet it and to defeat it. But I would not be doing my duty if I did not emphasize its seriousness. I need not do more, in order to emphasize Germany's confidence in this campaign than to say this—that in order to carry it on she risked war with the United States of America. That indicates her belief that the submarine war would bring the struggle to a conclusion before the United States could throw effectively its power into this contest. That is what she is trying to do now. The losses in ships have been very serious indeed, and some of the losses of late have taken place under conditions which I cannot mention to the House, but which are sufficiently grave. The cry of Lloyd George, when he made his great speech in the Guildhall, was this: What we need in this war is ships, and then more ships, and then more ships still. It is the belief of the Germans that they can protract the war on the western front until their submarine campaign has made it necessary for Great Britain to accept terms of peace to which none of us would listen to for a moment at present. As I have said, I do not believe Germany's attempt will succeed, but it will require courage, resolution, energy, self-denial and resourcefulness on the part of the people of the United Kingdom, and of the Dominions, if that attempt is to end in failure.

I have no confident hope that the war will end this year. Any conjecture as to the time when it will end is almost valueless. The effectiveness of Russia's efforts on the eastern front, and the speed with which the power of the United States can be thrown into this struggle, will be great, if not determining factors.

Now, as to our efforts in this war—and here I approach a subject of great gravity and seriousness, and, I hope, with a full sense of the responsibility that devolves upon myself and upon my colleagues, and not only upon us but upon the members of this Parliament and the people of this country. We have four Canadian divisions at the front. For the immediate future there are sufficient reinforcements. But four divisions cannot be maintained without thorough provision for future requirements. If these reinforcements are not supplied, what will be the consequence? The consequence will be that the four divisions will dwindle down to three, the three will dwindle to two, and Canada's efforts, so splendid in this war up to the present, will not be maintained as we desire it to be maintained. I think that no true Canadian, realizing all that is at stake in this war, can bring himself to consider with toleration or seriousness any suggestion for the relaxation of our efforts. The months immediately before us may be decisive. They may be decisive even if the war should not end this year. Germany is bringing into play during the present season the last ounce of her manhood. What have we done in this war? We have sent 326,000 men overseas in the Canadian Expeditionary Force. Including reservists in British and Allied armies, and men enlisted for naval defence, 360,000 men at least have left the shores of Canada. It is a great effort, but greater still is needed. Hitherto, we have depended upon voluntary enlistment. I myself stated to Parliament that nothing but voluntary enlistment was proposed by the Government. But I return to Canada impressed at once with the extreme gravity of the situation, and with a sense of responsibility for our further effort at the most critical period of the war. It is apparent to me that the voluntary system will not yield further substantial results. I hoped that it would. The Government have made every effort within its power, so far as I can judge. If any effective effort to stimulate voluntary recruiting still remains to be made I should like to know what it is. The people have co-operated with the Government in a most splendid manner along the line of voluntary enlistment. Men and women alike have interested themselves in filling up the ranks of regiments that were organized. Everything possible has been done, it seems to me, in the way of voluntary enlistment.

All citizens are liable to military service for the defence of their country, and I conceive that the battle for Canadian liberty and autonomy is being fought to-day on the plains of France and of Belgium. There are other places besides the soil of a country itself where the battle for its liberties and its institutions can be fought; and I venture to think that, if this war should end in defeat, Canada, in all the years to come, would be under the shadow of German military domination. That is the very lowest at which we can put it. I believe that this fact cannot be gainsaid.

Now, the question arises as to what is our duty. I repeat once more, a great responsi-

bility rests upon those who are entrusted with the administration of public affairs. But they are not fit to be trusted with that transcendent duty if they shrink from any responsibility which the occasion calls for. If the cause for which we fight is what we believe it to be, if the issues involved are those which have been repeatedly declared by all our public men and in all the press of Canada, I believe the time has come when the authority of the state should be invoked to provide reinforcements necessary to sustain the gallant men at the front who have held the line for months, who have proved themselves more than a match for the best troops that the enemy could send against them, and who are fighting in France and Belgium that Canada may live in the future. No one who has not seen the positions which our men have taken, whether at Vimy Ridge, at Courcellette, or elsewhere, can realize the magnitude of the task that is before them, or the splendid courage and resourcefulness which its accomplishment demands. Nor can any one realize the conditions under which war is being carried on. I have been somewhat in the midst of things at the front, yet I feel that I cannot realize what the life in the trenches means, though I know that I can realize it better than those who have not been as near to the front as I have been. I bring back to the people of Canada from these men a message that they need our help, that they need to be supported, that they need to be sustained, that reinforcements must be sent to them. Thousands of them have made the supreme sacrifice for our liberty and preservation. Common gratitude, apart from all other considerations, should bring the whole force of this nation behind them. I have promised, in so far as I am concerned, that this help shall be given. I should feel myself unworthy of the responsibility devolving upon me if I did not fulfil that pledge. I bring a message from them, yes, a message also from the men in the hospitals, who have come back from the very valley of the shadow of death, many of them maimed for life. I saw one of them who had lost both legs pretty well up to the hip and he was as bright, as cheerful, as brave, and as confident of the future as any one of the members of this House—a splendid, brave, boy. But, is there not some other message? Is there not a call to us from those who have passed beyond the shadow into the light of perfect day, from those who have fallen in France and in Belgium, from those who have died that Canada may live—is there not a call to us that their sacrifice shall not be in vain?

I have had to take all these matters into consideration and I have given them my most earnest attention. I realize that the responsibility is a serious one but I do not shrink from it. Therefore, it is my duty to announce to the House that early proposals will be made on the part of the Government to provide, by compulsory military enlistment on a selective basis, such reinforcements as may be necessary to maintain the Canadian army to-day in the field as one of the finest fighting units of the Empire. The number of men required will not be less than 50,000 and will probably be 100,000. These proposals have been formulated in part and they will be presented to the House with the greatest expedition that circumstances will permit. I hope that when they are submitted all the members of the House will receive them with a full sense of the greatness of the issue involved in this war, with a deep realization of the sacrifice that we have already made, of the purpose for which it has been made, and with a firm determination on our part that in this great struggle we will do our duty whatever it may be, to the very end.

Right Hon. Sir WILFRID LAURIER: Mr. Speaker, when, in the month of December last, the official news came from the other side that the Government of Canada had been invited to a conference, to take place at an early date in London, upon questions connected with the war, although at that time Parliament had been summoned to meet early in January, we on this side of the House at once decided that we would offer no objection whatever to the absence of the ministers who would go to London. We did not see that there was any special urgency for the conference, such as would interfere with the business of Parliament. Notwithstanding, we determined that we would not offer any objection, but that, on the contrary, we would, in so far as it lay in our power, facilitate the business of the House in order to permit of the absence of the ministers. Although we did not see the immediate object of the conference, although it would have seemed that there was no urgency, we thought that there might be questions of the organization of the armies, of the construction of ships, of the production of foods, of the supplying of munitions, which were of such consequence as to

make it necessary or advisable for the Government of the Mother Country to confer with the Governments of the overseas Dominions. Therefore, we at once assented to the proposal that Parliament should adjourn to enable the Prime Minister and the colleagues by whom he was to be accompanied to attend the conference.

I have first to say to my right hon. friend that if I have any criticism to offer, it is simply this, that he did not exercise the best of judgment in his selection of the colleagues to accompany him. It seems to me absolutely according to the fitness of things that the attendance of two members of the Government would be indispensable for such a conference, and that one should be the Minister of the Naval Service and the other the Minister of Militia and Defence. The Minister of the Naval Service (Mr. Hazen) was selected, and the Minister of Militia and Defence (Sir Edward Kemp) was left behind and was replaced by the Minister of Public Works (Mr. Rogers). Now, the Minister of Public Works may be a warrior bold, but he did not show that he had had any experience in that line. The Minister of Public Works once said on the floor of this House that his specialty was winning elections, which is not at all like winning the war. In my humble judgment the presence of the Minister of Militia was indispensable when the Canadian Government was called upon by the Government of the Mother Country to discuss matters appertaining to the war. It may be said that we have a Minister of Militia in Great Britain. But, Sir, though we have a Minister of Militia in Great Britain, it seems to me all the more reason, since we have two heads of the department, that the Minister of Militia in Canada should have accompanied the Prime Minister, in order that the Minister of Militia in Canada and the Minister of Militia in England, the Canadian head and the English head, might confer together and not come into collision. We had that experience before when there was a collision between the late Minister of Militia and the gentleman who at that time had assumed the powers of the Minister of Militia overseas. That is all the criticism I have to offer as to the action taken by the Prime Minister in that respect.

Now, we have the result of that conference, and my right hon. friend will agree with me, as I am sure that every member of this House will agree, that the result of the conference, in so far as any practical action that has been taken, amounts to very little. My right hon. friend has told us that the only concrete thing which has come out of this conference is that we are to have an Imperial War Council. That seems to be a very ambitious designation for the assemblage of gentlemen, or the body, which is to be known by the name of the Imperial War Council.

It seems to me to be rather a misnomer, calculated to lead men to indulge in fancies and dreams, rather than to impress itself on the judgment of serious men. You have an Imperial War Cabinet composed of five members of the Imperial Cabinet, of one member of the Cabinet of each of the different overseas Dominions, and of representatives of India. My right hon. friend stated that the duty of the Imperial War Cabinet is to advise the Crown upon all matters of Imperial concern; matters which concern the whole British Empire. This Cabinet is to advise the Crown. What Crown? The Crown in Great Britain, the Crown in Canada, the Crown in Australia, the Crown in New Zealand, the Crown in South Africa, the Crown in Newfoundland and the Crown in India,—because under our present system of Government the Crown is represented by ministers who advise it in all these different countries. The Imperial War Cabinet can conclude nothing. We are familiar with the declaration made some weeks ago by Mr. Bonar Law to the effect that the Imperial Cabinet was at once executive and consultative. With all respect to the opinion of Mr. Bonar Law, this is a statement which cannot be accepted as it was uttered. The Imperial War Cabinet has no executive power; it can report, it can pass judgment, it can come to conclusions upon any subject; but its conclusions achieve nothing; they are simply reported to the Crown in Parliament in Great Britain; in the different countries overseas, and in India. And when such a report has been made it may be accepted by one Parliament and rejected by the other. We have already had such a case. In 1911, the last Imperial Conference of that year decided to adopt a system of naval zones to be patrolled by the navies of the different Dominions having navies. A navy was ascribed to Canada on the Atlantic coast, and another naval situation was ascribed to Canada and Australia on the Pacific ocean. This plan was adopted by the mother country, but it was rejected by the Canadian Government and by the Canadian people, and therefore this body is nothing more than a consultative body. I

do not object to it as a consultative body. But I object to terms being used which, in their very nature, cannot accord with the rules of parliamentary government as it exists to-day in the British Empire, in the motherland, and in the Dominions overseas. But if I am told that there is to be a body which is to be known by the name of the Imperial Council, I am not disposed to quarrel with the name. I do not object to there being consultations, quite the contrary. My right hon. friend has stated that this body—so named, and misnamed—is to meet once every year. As to this, I have no objection whatever. This body can do nothing except discuss, come to certain conclusions, and report them to the different peoples whom its members represent, by them to be accepted or rejected. Well, Sir, for my part, I am very much of the opinion that a great deal of advantage is to be derived by frequent consultations between people and people. Ignorance has been, all through the ages, the cause of many discords, indeed, and very many wars also; and when peoples are living under the same allegiance and are part of the same Empire, undoubtedly nothing but advantage can come from frequent consultation. To that I have no objection.

My hon. friend has alluded to the fact that there were enthusiasts in Great Britain and in Canada also who had hoped that the British Empire would be reconstituted; in fact, it was stated in the press when the Conference was summoned that its chief object would be to reorganize the British Empire. Well, everybody who has had the slightest experience in public affairs must have known that such a hope was a delusion, that it could not be realized. As it has turned out, all hopes of reorganizing the British Empire have been adjourned to a Conference to be summoned immediately after the war is over. I attach very much importance to the belief, and I agree altogether with the view expressed by my hon. friend a moment ago, that no reorganization of the British Empire can bring about greater or better results than those which have been demonstrated by the present conditions. I cannot imagine that under present circumstances, so long as there is the disparity of population between the United Kingdom and the dependencies, any system can be organized or planned which will work more satisfactorily than the plan which we now have and upon which the Empire has grown up to its present solidity—I use the word " solidity " advisedly.

[Sir Wilfrid Laurier.]

But still, if there is to be a conference, as it is understood there is to be a conference, one thing at all events has been gained and one thing to which I at once tender my complete adherence; it is a fact that any conference, any reorganization, which may be contemplated will be based upon the principle of local autonomy and will not involve an impairment of the powers now vested in the Dominions beyond the seas. I understand that in the new constitution which is to be discussed when the Conference takes place the principle of monarchy is to be adopted. I have read a statement made by Mr. Long, the Secretary of State for the Colonies, in which I find:—

> The resolution with regard to the constitution of the Empire was made the occasion for striking expressions by the various speakers of attachment to the monarchical institutions of the Empire, and their value for the preservation of Imperial unity. In the words of one of the speakers, the monarchy is the keystone of the Imperial arch.

It seems to me that these phrases were altogether unnecessary. There has been a revolution in Russia. Revolutions have been threatened in many other places; but in the British Empire we are satisfied with monarchical institutions. There may be liberty and freedom under a monarchy, and there may be despotism in a republic. For my part I may say this, and I think that in this opinion everybody will agree, as a matter of abstract opinion it matters not what is the form of government, provided the people are free in their institutions and have the right of representation and petition. Under the British institutions we have been accustomed—and this is the reason why I read with some surprise such words as these—we have been accustomed to look upon, and we do look upon the Crown as a basis of union among the different parts of the British Empire, and as a guarantee of that union I am pretty sure that the British people to-day would not tolerate a monarchy such as existed in England at the end of the eighteenth century or the beginning of the nineteenth century; but so long as the British monarchy is maintained in the traditions which were inaugurated by Queen Victoria every British subject the world over will be quite satisfied to remain under monarchical institutions.

I wish to refer to the next resolution which was adopted by the conference and which has been made public. My right hon. friend had stated that many of the resolutions adopted by the conference have to remain secret. As to that I have no

fault to find; so long as they remain secret they do neither good nor harm.

Sir ROBERT BORDEN: I did not say "many;" I said "some."

Sir WILFRID LAURIER: Whether some or many, they do no good or no harm, it matters not whether they are published or whether they are not published. However, I shall deal only with those which have been published and, taking them in the order in which my right hon. friend presented them, the next to which I wish to refer is that in respect to India's representation at future Imperial Conferences. My hon. friend has read the resolution; I shall read it again.

That the Imperial War Conference desires to place on record its view that the resolution of the Imperial Conference of April 20, 1907, should be modified to permit of India being fully represented at all future Imperial Conferences.

Under the resolution of 1907, representation at the Imperial Conference was confined to the Government of Great Britain and the governments of the self-governing dominions. Henceforth, India is to take part in the Imperial life of the British Empire. For my part, I say without hesitation not only that I have no fault to find with this proposal, but that I highly commend it. It is not more than twenty years since Rudyard Kipling wrote the following lines:

Oh! East is East and West is West, and never the twain shall meet.

This might have been true as applied to conditions twenty years ago, but, Sir, in these days events move rapidly. The opinion of a man like Kipling, who knew both West and East fairly well, was that they would never meet; but now they can and do meet. The civilization of the East, which, as my right hon. friend has said, is older than our own civilization, and which is, in some if not in many respects, superior to ours, is being gradually invaded by the civilization of the West. The East and the West, which men at one time thought would never meet, are rapidly drawing closer together. It is now something like 22 years since Lord Lansdowne, then Foreign Secretary, concluded a treaty with Japan. Japan, emerging from a position of secular lethargy which had endured for ages, had moved up into the path of Western civilization, and it is greatly to the credit of Lord Lansdowne that he had prescience to realize what the approach of Japan towards the civilized life of the West would mean. We see the result to-day of his prescience in the splendid support which the cause of the Allies has received by the concurrence of Japan in the cause for which we are striving. And who would have thought twenty years ago that the old, antiquated institutions of China would drop almost as if my magic and be replaced by a republican system? But the East is moving towards the West, and in the principle that India ought to be admitted to the councils of the Empire I entirely agree.

Another resolution was passed by the conference which was not as concrete as this last; indeed, it was very vague. I read:

That the Imperial War Conference, having examined the memorandum on the position of Indians in the self-governing Dominions presented by the Indian representatives to the Conference, accepts the principle of reciprocity of treatment between India and the Dominions, and recommends the memorandum to the favourable consideration of the governments concerned.

What is the meaning of this? The meaning will be found in the fact that in British Columbia, Australia, New Zealand, South Africa and in many other establishments of the British Empire, Asiatics, Indians and Hindus are not permitted to come in to work as labourers. It was against this condition that representations were made in the memorial which was presented to the members of the conference by the Indian representatives. I call attention to this because it is one of the important subjects that we have to deal with in order to maintain the unity of the British Empire. If representatives of the people of India shall attend future Imperial Conferences, we must be prepared to give the subjects of India fair and proper treatment when they ask for it. This is a very serious subject, and I do not see how it can be successfully dealt with unless a very wise and prudent course is adopted. At the bottom of it there is an economic condition which we must not lose sight of. What is the reason why Asiatic and Hindu labourers, our fellow-subjects, have not been admitted into some parts of the British Empire? What is the reason why Sikhs and Gurkhas, who fought in the British Army, were not admitted into some parts of the British Empire, where they were seeking work as labourers? The reason is that they were accustomed to such a low wage and they could live so cheaply that they could compete with white labour on conditions which no white man could accept. We should not close our eyes to this situation. I approve the idea that we should endeavour to over-

come these difficulties, but it is evident that nothing has been done so far at the conference to overcome them. But if, as I say, the leaders of India be admitted into the consultations of the Governments of the overseas dominions and of the Empire, we must be prepared to take up the other question, which is perhaps of greater significance, greater moment and greater difficulty.

The following resolution with regard to naval defence was adopted by the conference:

> That the Admiralty be requested to work out immediately after the conclusion of the war what they consider the most effective scheme of naval defence for the Empire for the consideration of the several governments summoned to this Conference, with such recommendations as the Admiralty consider necessary in that respect for the Empire's future security.

That the British Admiralty should be invited to consider the question of the most effective scheme of naval defence is quite proper; nobody can object to that. But it must bring up a question which has long been at issue in this Parliament as to whether the object had in view would be more effectively accomplished by local navies, as was advocated by hon. gentlemen on this side when they sat opposite, as well as by hon. gentlemen opposite when they sat on this side, but which was rejected by hon. gentlemen opposite when they took office. It is not to be forgotten that the last election in the province of Quebec was fought largely on this question. But I shall not re-open old sores; the question will come up again as to which is the best method.

I may be pardoned if I think our plan is the best, although perhaps the opinion will be the reverse on the other side of the House. We shall know afterwards what is the plan adopted, and whatever plan is recommended by the Admiralty will, as it ought to be, be subject to discussion by this House.

As to the trade and commerce of the country, the resolution is very mild and no fault can be found with it. On this side of the House we are certainly in favour of Imperial trade; we are in favour of giving preference to the Mother Country, and when at one time we heard it said on the floor of this House that we should bargain with the Mother Country and ask favour for favour and preference for preference, at least we on this side maintained that we should act of our own accord without making any quid pro quo, and I am glad to say that our friends opposite have now taken that view. But if we are in favour of the extension of our trade within the Empire, let it be recorded that we on this side—and, I hope hon. gentlemen on the other side also—are in favour of international trade, of trading with all the nations of the earth, of trading with every nation that is willing to trade with us, of trading with every nation with which we can have reciprocity, and of trading especially with our neighbours to the south, with whom is to be found the best market we have ever had. These are all the important resolutions which have been adopted at the conference.

There is one resolution, however, in regard to which I may say a word. It is the last one, and one which must touch the heart of every Canadian; it is that the committee had agreed to ask the King to organize a commission to look after the graves of our soldiers who have fallen in battle in France. My right hon. friend has stated that the French Government has placed at the disposal of the Imperial military authorities all the land necessary for these Imperial cemeteries. The idea is a pious and noble one, and certainly every Canadian will give hearty response to it. We hope the war may not last much longer, but many men have fallen and we know that before the war comes to an end many more must fall. Their remains will lie under the soil of France; but their graves will be kept green in the soil of France as the memory of our fallen brothers in our hearts, and the land will be visited by the people of all those countries who have sent men to France to fight, not only for the integrity of France, but for the civilization of mankind. We can well believe that the feeling of reverence, respect and affection will so continue amongst all the countries which have sons buried in the soil of France as to make it forever impossible that a word of discord shall ever be heard amongst those nations, because such would be a new agony to those who remember that lying in the soil of France are men who have given their lives, not only that France should live, but that the civilization of mankind should be preserved.

My right hon. friend concluded his observations by stating that we are certainly very far from the end of the struggle, and I am afraid that his words are only too true. Events in Russia have brought into the war a new feature upon which we had not calculated. We had thought that the

new offensive which was to be undertaken by our armies this year, was to have brought our forces to the Rhine, but events in Russia have enabled the German Government to bring to France from the eastern front, perhaps nearly a million men, if not more. Under such circumstances, it goes without saying that the war must last a long time.

As to the methods which Canada must take with regard to the prosecution of the war, I have only this to say: that Canada intends to remain in the war to the end until victory has been won. As to the methods which we are to adopt in order to send more men to the front and to fulfil to the end the duty that we are all determined to fulfil, a good deal of consideration must be given before the traditional policy followed by this country shall be set aside. I make at present no observation on that. The Government tell us that they have a new policy to offer us and I have only this to say: that whenever that policy is made known to us, we shall receive and consider it in the same spirit that we have determined since the outbreak of the war to assume towards all the proposals of the Government, and that is, to give them due and fair consideration, reserving to ourselves the liberty of free British subjects to discharge our duties in the way we consider they ought to be discharged. I am not going to say we should adopt this or adopt that; that we should reject this or reject that. The only thing I say—and as to which I pledge the word and judgment of those who sit beside me—is that we have no intention other than to remain in the war to the end, and we are determined that we shall do our duty to the best of our judgment and in such a way as to insure that the best methods are adopted to bring about that victory for which we are all longing and which we all hope will certainly come, whether it comes early or late.

At six o'clock the House took recess.

After Recess.

The House resumed at eight o'clock.

PRIVATE BILLS.

CONSIDERED IN COMMITTEE—THIRD READINGS.

Bill No. 7, respecting the Continental Heat and Light Company.—Sir Herbert Ames.

Bill No. 11, respecting The Canadian Order of the Woodmen of the World.—Mr. Glass.

Bill No. 25, to incorporate The Eastern Telegraph and Telephone Company.—Mr. Jameson.

ALLIANCE NATIONALE.

The House in Committee on Private Bills, Mr. Blain in the Chair.

Bill No. 44, to incorporate Alliance Nationale.—Mr. Achim.

On section 17—Investment of funds:

Mr. BOIVIN: I desire to move a slight amendment to this section. Besides this Bill for the incorporation of La Société des Artisans Canadiens Français, there is to come before the Committee Bill No. 44, to incorporate Alliance Nationale. They were considered together in the Committee on Banking and Commerce and were made as uniform as possible. Several amendments were made in this Bill which were afterwards included in Bill No. 44. But one amendment was made in Bill No. 44, which, owing to that Bill having been considered last, was not made in Bill No. 40, and, to make the two Bills uniform, this amendment is necessary. I present it at the request of the hon. member for Labelle (Mr. Achim), in whose name both these Bills stand. The amendment is:—

That the first paragraph of clause 17 be amended by striking out all the words after "Canada" in the sixteenth line, and substituting the following: "or in accordance with the laws of such province, on property situated in such province."

This relates to the investments which may be made by the society.

Mr. ROGERS: Do I understand that the hon. member (Mr. Boivin) makes the motion on behalf of the mover of the Bill?

Mr. BOIVIN: Yes, and at his request.

Mr. HAZEN: Was this amendment considered in the Committee on Banking and Commerce?

Mr. BOIVIN: Yes. The societies to be incorporated by this Bill and Bill No. 44 are absolutely similar, and the Bills were made as uniform as possible. But Bill No. 40 was considered first, and this amendment, which was made in Bill No. 44, was not included in Bill No. 40.

Sir THOMAS WHITE: Would my hon. friend explain briefly the effect of the amendment?

Mr. BOIVIN: The effect is to make the clause more complete.

Sir THOMAS WHITE: What kind of investment does it authorize? What line of the section is it proposed to amend?

Mr. BOIVIN: It is proposed to strike out the following words in the first subsection of section 17:—

—on property situated in such province and collectable by the municipalities in which such property is situated.

These are to be replaced with the words I have just read. The Banking and Commerce Committee discussed the matter and made this amendment in Bill 44, and it was thought it would be much better to have it in this Bill also. It is owing to the wish expressed in the Committee that I propose the amendment.

Amendment agreed to.

Section as amended agreed to.

Bill reported and read the third time.

SECCND READING.

Bill No. 48 respecting the British Columbia and White River Railway Company.—Mr. Clements.

THE PRIME MINISTER'S VISIT TO ENGLAND.

The House resumed the discussion consequent on the statement made this afternoon by the Right Hon. Sir Robert Borden (Prime Minister) as to the transactions of the Imperial War Cabinet and of the Imperial War Conference.

Mr. W. F. MACLEAN (South York): Mr. Speaker, I wish to say a word or two with regard to what took place this afternoon and in regard to the matters which formed the subject of discussion and which are of the greatest importance to Canada and to the Empire. In the first place, I desire to congratulate the right hon. the Prime Minister (Sir Robert Borden) and the Government on coming to the view that conscription must be resorted to in Canada in order that we may do our full share in this war. While the decision is somewhat delayed. I believe the people of Canada will appreciate the final determination at which the Government has arrived. Certainly this policy will be appreciated in my own province and, I think, all over the Dominion. The position in the country and in this House might be well expressed by a reference to the recent activities of the ginger party in Great Britain—the party that demanded that more ginger be put into the conduct of the war.

The result of the ginger movement in the Mother Country was a reorganization of the Cabinet, not only once but twice. New men were taken in, with a policy based on conscription and a more vigorous prosecution of the war, and a determination to do everything that possibly could be done by Parliament to bring the war to a successful conclusion. I take it that the announcement made here to-day means a more vigorous prosecution of the war by this Government. I congratulate the Government on what has been decided in regard to conscription.

The vigorous policy which has been foreshadowed in connection with conscription should also be applied to many other questions in connection with the war. I should have liked to have heard that the Government intended not only to take up vigourously the question of conscription, but also to take up what the ginger party brought in Great Britain, food control, the appointment of a food dictator and a very widespread control of all prices, especially those of the needs of life. The speech of the Prime Minister this afternoon also contained an intimation that more ginger might be put into the transportation policy of this country. The Prime Minister hinted at a policy that would mean the Government and Parliament of this country taking a more pronounced course in regard to transportation in relation both to railway and ocean traffic. The only effective way of improving transportation facilities is to have some kind of Government control of the railways and of the ocean liners. I shall not be surprised to see a transportation policy adopted by the Parliament of Canada that will produce a great shipping industry in this country, even if the Government have to own the ships. I hope for such a policy and through it we can improve the condition of Canada and of the farmers of Canada who are raising wheat for the Mother Country and the Allies. They have long had Government control of railways in Europe, especially in Germany, and I believe that the United States will have it now that they are in the war, that there will be public ownership of railways, as there now is provision for their absolute control. We shall have to do the same thing here and I hope I was not going too far in assuming from the Prime Min-

ister's speech that we shall have more ginger at least in regard to railway transportation in this country; that the farmers of the West especially will be able to market their grain at lower freight rates, and that they will also obtain relief from the exorbitant tolls charged on freight by the ocean lines.

There are one or two other things in which we want a great deal more ginger in the policy of the Government.

Mr. PUGSLEY: Hear, hear.

Mr. W. F. MACLEAN: The Prime Minister this afternoon said that he was surprised to learn of the experience of a friend of his who was told in Germany by a business man how much the Germans knew of the stores of iron ore in Belle Isle, off the coast of Newfoundland. The same knowledge that the Germans had of those iron ores in Newfoundland they have always had of the nickle deposits of this country. The time has surely come when we must have a national policy in regard to the control of those great natural resources of Canada and of the Empire. We must have a national policy in regard to our nickle. We must know before this war is over whether it is true that the Krupp Company really controls the nickle deposits of Canada. I believe that information is obtainable in the United States which will verify what has been said, that the nickle deposits of this country, which ought to be consecrated to the Empire and should be controlled by ourselves and used by the Empire, melted and refined in our own country, are controlled by hostile interests. Then we have the greatest asbestos deposits in the world in the province of Quebec. Yet the control of those great deposits is outside of Canada. It is absolutely necessary that we should have control of this product, and we must have some national policy in respect to it. There are two other things, petroleum and gasolene, two absolute necessities of war, two things that can be produced in this country—yet the control of our deposits of these great resources is not in Canada. We have the oil wells in Canada, and we ought not to allow a gallon of gasolene to be consumed in this country which is not refined and distilled within the country. These are things that are essential to war. They are natural products of Canada, and in the case of two or three of them we have a monopoly; yet we have not exercised that monopoly. I say that in this new policy, this progressive policy, which the Government are announcing to-day, and which tends in a good direction, we must go further and include other lines.

Then, too, we must have a more progressive policy in regard to currency and banking in Canada, a matter to which I have before referred in this House. That is essential in connection with the war. I hope we shall have an announcement of a more progressive policy in that respect before long. I trust that not only will we have conscription in this country and a far-reaching measure of conscription, but that it will be vigorously presented in this House and vigorously prosecuted and put into force, because the war is not won; it has to be won, and everything must be done to win it. There must be absolute co-operation and unity in this country to win the war, and if a progressive policy is adopted it ought to be supported by a united Parliament, as it will be supported, I believe, by a united people.

The Prime Minister also dealt with a question about which I have thought a good deal, that is the rearrangement of the various elements of the Empire and their standing, one with the other, and how far this war will lead us in the way of confederation or consolidation of our interests. I agree with what the Prime Minister said that he has not very much sympathy with that new school in England called the Round Table school, who are trying to land the Empire into some system of confederation.

I had not a great deal of faith in that. I believe in the principle laid down by Sir John A. Macdonald, and followed by the right hon. Prime Minister this afternoon, that while it is desirable that there should be an alliance and a consultation of governments of the Empire, we must retain our absolute autonomy, our absolute independence, and our right to pass on any question of Imperial policy before we are definitely committed to it. That is an important consideration which should not be discussed at this time but which, when a further conference is held and when the relations of the various parts of the Empire one to the other and to the union are dealt with, will be most carefully considered. I am confident that no step will be taken until each member of the Conference has had an opportunity of discussing it in his own Parliament. I support the Prime Minister in his going to the Conference and taking part in its discussions. His going there had a good effect upon him and he

has come back with what I am quite sure is a progressive proposition with regard to the conduct of the war.

What I would like the Government to do, now that they have declared for conscription, is to go vigorously into it and do what the United States are doing. Conscription is practically in force there to-day, or will be as soon as the President signs the Bill; they purpose raising a draft of 500,000 men by this method. By employing the same method we can raise 100,000 or 200,000 men, or even more, if we have to—and I believe we shall have to. I hope that we shall have the assistance of all our Allies. I hope that Russia will soon come into line, but the burden of this struggle for liberty will fall upon France, upon Great Britain and her daughter States, and upon the United States, and the characteristic policy of these great nations in defending civilization and maintaining liberty is to be based upon conscription. When you have selective conscription, as the minister outlined it to-day, you get rid of all recruiting and its inconveniences. Many of the most patriotic men in the country never could quite see the reason why they should go out and tell the young men why they should go to the front. The law of conscription is based on the duty of each man to defend the country and to protect the rights of his fellowmen, and when you have that law you do not need to exercise persuasion or ask a man to go as a matter of reason. Many a man says: tell me it is my duty by law and I will go. That reply has often been met in recruiting campaigns. The Government should do what they have done in England—and it will require a great deal of work on the part of the ginger party to get it through. The United States came to it, not because they were more active than any one else, but because they had the experience of the Mother Country. We have the experience of both now, and it is the duty of a united Parliament to pass a law of conscription, selective conscription if you like, but, in any case, a law that will impose a duty upon the men of Canada. Probably the youngest men, those, say, of 21, could first be told that they must go to the war. The school boys will grow up under a system which tells them that it is the duty of those who are over 20 and 21 to go in the first draft, and that if more are required those who are older will be called upon. I am sure that when they know it is their duty there will be no objection. I do not care in which province they may live.

[Mr. W. F. Maclean.]

To my mind the only way to win the war is by adopting a vigorous policy of conscription. I hope that a measure to this end will be introduced into Parliament right away, and that it will be passed. I believe that the men will go gladly and that there will then be no trouble in filling up the ranks of the battalions we have there now. And we need more; as was pointed out this afternoon, those who are over there are calling to us to give them assistance, and we have to heed that call. This Parliament, then, will not be doing its duty unless it enacts a law of conscription and then enforces it. The result will be our ability to increase the number of our soldiers overseas by 100,000, or if necessary, 200,000 men and, carried out on the selective principle, the law will result in no man being sent forward who is more useful here in the munitions plants, as a grain grower, as a farmer, as a railroad man or as one who is engaged in anything essential to the ordinary life of the community. We have that principle recognized at last. I do not know what stand hon. gentlemen opposite will take in regard to it. But a good many of their supporters in my province, pronounced Liberals, are declaring every day that they want to see conscription in Canada. We have to have it to win the war. Now that the ball has been set rolling, the ginger policy—

An hon. MEMBER: What will they say now?

Mr. W. F. MACLEAN: Thousands of them are saying that they are in favour of conscription. I do not think all the loyalty is on the side of one party in this country; I would not want to live in Canada if that were the case. Anyway, you want to give every man an opportunity of saying whether he accepts the law—and it is the first law of any community that every citizen ought to be willing to defend its liberties. Some people have left our country because they feared conscription on the other side of the line. But that is one of the accidents of a condition of war; it is a common trait of humanity. I believe that Canadians irrespective of politics will support conscription just as the Britishers in the old land, irrespective of politics, supported it there. Among the most useful things they have in Great Britain in connection with the militia are the courts of tribunals which mobilize the men, size them up and find out those who are fit to

go to the war and those who are necessary in munitions plants, the farming industry or other essential occupations. In that way the air is cleared—and that is the great thing, to clarify the situation with regard to the war. You clarify the situation with regard to the prosecution of the war through the adoption of conscription as you could do in no other way.

Conscription has been found to be absolutely essential in Great Britain and France; the United States have just declared themselves to be in favour of it, and now that we have taken the same attitude, there is a much brighter prospect of winning the war. We are engaged in a struggle against an organization of nations which depend absolutely on conscription for their war efforts. If, as the Prime Minister said this afternoon, Germany has brought into her armies a million men more than she had a year ago, that has been accomplished by reason of the law of conscription in force in that country. In a struggle against conscription as it exists in Germany, you cannot overcome Germany nor defend civilization, nor maintain the liberty of the world unless you fight the devil with fire, if conscription is the fire he uses against you. That view came home long ago to the boys who are giving their services at the front and many of whom have made the supreme sacrifice. It is going to come home to this House and to the people of this country. It is the view taken by the women of this country; it is the view taken by many a Canadian mother whose boy has been killed on the battlefield and who cannot understand why some other mother's boy should not take his place in the field, if the struggle is for the liberties, not only for this country, but of the world. I absolutely agree with what the Prime Minister and the leader of the Opposition have said this afternoon, namely, that this war must be won, and, if it is to be won, it can be won only by the adoption of the principle of conscription. And when we adopt that one principle of the ginger party in Great Britain, we shall have to adopt their principles in relation to other matters I have spoken about this evening. I wish, therefore, to congratulate the Government on at last adopting this policy. The Government have taken a good while to adopt it, and some reconstruction of the Government and more unity in this Parliament may be required to carry it into effect. I am, however, prepared to face any change that will give us a more vigorous policy, not only in regard to conscription, but in regard to everything necessary to win the war. The other question as to what our relations are to be between the component parts of the Empire need not concern us now; that will take care of itself after the war. The Prime Minister in the British House of Commons said yesterday, and it was also told us here this afternoon that the question would be discussed later on; but the question of the relations between the component parts of the Empire is not the question before us to-day. The question at issue is the winning of the war. We may as well recognize the fact that conscription is necessary for the winning of the war; that question faces us now, and I hope that the Government will not delay in bringing down their proposals in regard to conscription and that the House will not delay in carrying them into effect.

9 p.m.

Hon. WILLIAM PUGSLEY (St. John): Mr. Speaker, my hon. friend made the suggestion that there ought to be more ginger in the Government. This reminds me of the fact that some years ago a horse dealer in St. John had a horse to sell, and he loaded him up with ginger, and as the horse appeared lively and in fine condition he was able to sell the animal, but after the effects of the ginger wore away the horse was the same old horse.

Mr. W. F. MACLEAN: Will my hon. friend say that Lloyd George is only a ginger horse?

Mr. PUGSLEY: This occasion gives me an opportunity of speaking concerning a subject which is very dear to my heart, and which has been suggested by my right hon. friend the leader of the Government. I refer to the subject of shipbuilding in Canada. The Prime Minister stated that the great cry of Lloyd George was for ships, more ships, still more ships. Those in this country who have given the subject any consideration whatever are not surprised that the demand should have arisen for more ships. That demand has been increasing ever since this war broke out. Any man with any foresight, any man whose duty it has been to look ahead to the interest of this country must have foreseen that the time would come when ships would be imperatively required in order to carry on the transportation business, not only of Canada so far as its coastal transportation is concerned, but between Canada and the Mother Country. Yet, to-day we are in this lamentable position, that—to

the shame of the Government be it said—not one effective step has been taken by this Government for the building by the Government of ships in Canada, at the expense of Canada, for the assistance of Canada and of the Empire.

That condition of things is utterly inexcusable. We all know very well that it is difficult to build steel ships in this country because of the demand for steel for industries connected with the war, but there is no country in the world which offers greater opportunities for the building of wooden vessels. On the Pacific coast we have vast virgin forests where timber in abundance can be obtained for the building, not of a hundred nor a thousand, but, if need be, of ten thousand ships. We have on our far western coast many places where ships could be built. The same is true of eastern Canada at Quebec, Montreal, Three Rivers, and other points all the way down the St. Lawrence. In Nova Scotia, New Brunswick, and Prince Edward Island, there are abundant opportunities for establishing plants suitable for the building of ships, and yet not one step has been taken by the Government although three years have elapsed since the outbreak of war. The cry of Lloyd George is for ships, more ships and still more ships, and the British Government, through Mr. Balfour, when he arrived at Washington a few days ago, made an appeal to the United States Government to send them cruisers, destroyers, even tug-boats, wooden vessels, in fact, any kind of ships available in order to assist the Allies in this great crisis. The Minister of Finance stated some time ago that arrangements were being made with the Imperial Munitions Board under which this Government was to lend the money to build ships, and the Minister of Trade and Commerce stated the other day that the Imperial Munitions Board were arranging for the building of wooden ships in Canada, and he told me that I might inquire of the Imperial Munitions Board for information. I did inquire and what did I find? I found that the Imperial Munitions Board are not proposing to let any contracts for the construction of ships of less than 2,500 tons and 250 feet in length, or two and one-half times the tonnage of the ships for which the United States government has provided. Immediately upon the outbreak of war, the United States government gave an order for 1,000 wooden ships of capacity of 1,000 tons each. Yet the Imperial Munitions Board is not providing that any wooden ships shall be built in Canada unless the tonnage reaches 2,500 tons, thus utterly and absolutely debarring eastern Canada from the opportunity of building wooden ships. Because on account of the timber we have available in eastern Canada, we can only build ships running from 500 to 1,000 tons. Is the Government aware of this? When the Minister of Trade and Commerce made the statement a few days ago that provision was being made to utilize every shipyard in Canada for the building of ships, was he aware that the specifications of the Imperial Munitions Board would absolutely limit the building of these wooden vessels to British Columbia, where large timber is available? Is this reasonable? Is it in the interest of the country? Is it in the interest of the Empire? In eastern Canada there could be turned out hundreds and thousands of vessels running from 500 to 1,000 tons, which would be of enormous service in the transportation business. Norwegian wooden vessels are coming into the Maritime ports every week running from 300 to 600 tons; they are doing a splendid business and are of great service as far as transportation is concerned. And yet with these facts staring them in the face this Government sees the Imperial Munitions Board limiting the specifications to such a tonnage as will restrict the building of ships to our western coast, and making no provision whatever for the building of ships on the Atlantic coast and on the river St. Lawrence. I invite the attention of the Government now to this serious condition of affairs. Although three years have passed away, will they not even at this late date take steps to encourage the building of wooden vessels in eastern Canada?

When I heard my right hon. friend the Prime Minister speaking this afternoon, I wondered if my hon. friend the Minister of Marine and Fisheries (Mr. Hazen) heard that statement of Premier Lloyd George. If he did, he must have had the nightmare as he crossed the Atlantic on his way back to Canada. He must have dreamed of Courtenay Bay and of the great shipyards which would have been created at St. John if the proposed contract arranged for by the Liberal Government had been carried into effect. In his dreams he must have seen the great ships that would have been under construction if that contract had been carried out. He must have seen these being followed by mercantile ships and a

force of from 6,000 to 10,000 men employed in the shipyards. Later on in the night, there must have come to him a vision of Courtenay bay idle, silent, not a ship on the stocks, not a man employed, not a penny's worth of work being done, all still and silent as the grave. Having these visions, first, of what might have been, and secondly, of what is, my hon. friend must have regretted very much his own action or rather inaction, and the inaction of his colleagues, when they threw up the contract with the great shipbuilding firm of Cammell Laird & Co., and returned the security which my hon. friend had in his hands when he came into office as Minister of Marine and Fisheries. Why, Sir, not only have three years since the war broke out been wasted, but the six years since this Government came into power have been absolutely wasted so far as regards the establishment of one of the greatest and most important services of this country is concerned. Not only are the British Government and our Allies seriously affected by want of transportation facilities across the Atlantic, but our coastal trade is also in a horrible condition. In the city in which my hon. friend lives, for instance, the price of anthracite coal which comes from Pennsylvania is going up by leaps and bounds. During last winter our people paid three times as much for their coal as they paid three or four years ago, and I am told that owing to the scarcity of shipping to bring coal from the mines of Pennsylvania to the ports of the Maritime Provinces, the price will in all probability go up to $20 a ton next winter. You can realize, Sir, how seriously that affects the industries in that portion of the Dominion, and when I speak of St. John I am only speaking of a condition of affairs that exists in every seaport town in Canada. I appealed to my hon. friend the Minister of Labour a while ago to look into this question of the high cost of fuel, and all he said was, that he had made inquiries, but had no remedy to suggest. Sir, the only remedy is for this Government to engage at once, as a government, in the building of vessels not only for the carrying on of our Transatlantic trade, but for the coastal business of this country as well, so that something may be done to relieve the terrible condition of stress in which our people find themselves to-day. Will my appeal still fall on deaf ears? I and other hon. gentlemen on this side of the House have been making the same appeal for the last three years, but nothing has been done. May I venture to hope in view of the appeal which the Prime Minister says Premier Lloyd George has made to him for ships, more ships and still more ships, that the Government will wake up and display if only for a little while a little of that dose of ginger which my hon. friend from South York says has been infused into them, and take some effective measures along these lines.

My hon. friend the Prime Minister also spoke of the question of food supplies. Let me say to these hon. gentlemen who have been away from Canada for three months almost,—and in view of the report which has been submitted this afternoon and which shows no tangible results of their visit to the Mother Country, away, I am bound to say, from the post of duty where they ought to have remained—in that time the people of this country have seen the cost of foodstuffs going up by leaps and bounds and have appealed to this Governmen for relief, but without effect. The price of flour has gone up until it is now almost $16 a barrel, and unless something is done it will go up to $20 or $25 a barrel. The price of flour is a terrible hardship to the poor people of this country, and it is a matter to which the Government should devote its attention. We have urged the Government over and over again to take charge of the flour milling industry of this country, but nothing has been done. If the Government want to secure cheap flour for the consumers of Canada and of Europe, they must control its manufacture and prevent the millers from reaping the enormous profits which they are now taking out of the people of Canada and of the Old Country. The Government have been urged to do this. They have been told that it is feasible; every practical man will tell you it is feasible. But although all these appeals have been made in respect of flour, as in respect to shipbuilding, the Government seems to be deaf to the demands of the people of this country, deaf to the demand of the people's representatives in this Parliament on this side of the House.

My right hon. friend the Prime Minister made such an able and eloquent speech this afternoon that one hates to suggest any difference from him, or to make any criticism of what has been accomplished on the other side. But as I listened to his observations I was driven to the conclusion which I have just stated, that the three months they were away from this country was time in which they were away from the

post of duty where their presence was required. One very important subject that came up for the consideration of those jingoists in England, who have a certain amount of influence with the present Government, and whose representative is, I think, a former citizen of Canada, Lord Beaverbrook, who himself advocated the scheme, and who, I have no doubt, had a great deal to do with these hon. gentlemen being invited to go to England at this time, was the reconstruction of the Empire, the question of Imperial federation. We know that there are a good many people in England who have been strongly agitating that question, and have been hoping that the Dominion would be drawn into an arrangement of that kind. But I believe that if that arrangement were consummated it would be the first step toward the breaking up of the Empire, instead of a step toward its greater consolidation. The Prime Minister tells us that that question was considered. He expressed his great thanks to the group of young enthusiasts in Great Britain who had been so earnestly agitating Imperial federation. But the Conference passed a resolution identical with the position taken by Sir Wilfrid Laurier when he attended the Imperial Conferences. I have here extracts from one of the leading English newspapers making reference to the speech of General Smuts. I think the people have a great deal to thank General Smuts for; I believe that he, more than all others, has prevented the idea of Imperial federation going into effect so far as the Conference was concerned. Here is what is reported in the Ottawa Journal of this evening, in a telegram from London:

London, May 18.—Editorially discussing General Smuts' speech, in which he regarded the British Empire not as a state, but as a system of nations, the Daily Telegraph says it is a difference which goes to the very root of the Imperial fabric. "The oneness of New Zealand or Australia with Great Britain," says the Telegraph, "must be different not merely from that of India, where there is no kinship of blood or community of language and ideas, but also from that of Canada and South Africa, in each of which are two sturdy different stocks which, at the present time, can hardly be said to desire complete fusion, even as an ideal.

"To ignore this great fact because it is an awkward stumbling block to the realization of a cherished political theory is not statesmanship, but the negation of statesmanship."

Referring to General Smuts' assertion, that the British commonwealth of nations does not stand for standardization or conventionalism, the Telegraph says: "There is one other great Imperial statesman who will certainly applaud and endorse that sentiment, namely, Sir Wilfrid Laurier. It is exactly the point he has always laid stress on when Imperial federationists have seemed to him to press forward at too rapid a pace."

[Mr. Pugsley.]

That is a striking tribute to the stand that Sir Wilfrid Laurier took during all the years he was at the head of the Government of Canada. The final action of this War Cabinet is the greatest possible rebuke to those who have been condemning Sir Wilfrid Laurier because he has always pronounced for the autonomy of Canada and other overseas dominions of the Empire. Then, again, what a striking endorsement it is of the position which the Liberal party has always taken in reference to the British preference. After many days of conference the Imperial War Cabinet came to the conclusion that the British Parliament should not impose any duty on foodstuffs, and that the overseas dominions did not expect Britain to give any preference upon foodstuffs coming from those dominions. But there was no need to go to London to have that declared. That was declared, so far as Canada was concerned, in 1897, when the British preference was established by the Parliament of Canada, at the instance of the Liberal party led by Sir Wilfrid Laurier. At that time the Liberal Government and the Parliament of Canada said to the British people: We give you a preference in the markets of this country for all the manufactures and other products of Great Britain; we give you that preference freely and voluntarily, exacting nothing in return; we do not ask the Imperial Parliament to tax foodstuffs and to make dearer the food of the British people. It would be interesting for you, Mr. Speaker (Mr. Blain) to look over the pages of Hansard and see how the party led by the present Prime Minister regarded that action of the Liberal party at that time. They condemned that action. They said it was entirely against the interests of Canada to grant any preference in Canada unless the Imperial Parliament also granted a preference to the foodstuffs of Canada in the markets of Great Britain. And, if I am not mistaken, it is on record that the right hon. gentleman (Sir Robert Borden) voted against a resolution in this Parliament approving the action of the Government of that day in granting the British preference. I know his party voted in that way, and I think his name is recorded with the others. There was no occasion for three members of the Government to go to England for the purpose of having that declared a proper policy, which was declared twenty years ago by this Parliament and approved of generally by the people of Britain.

If you eliminate these matters to which I have referred, what else is there of importance that the Imperial War Cabinet considered? They considered the question of the temptations placed in the way of our soldiers at the front. Sir George Perley is the acting High Commissioner for Canada, and Overseas Minister, receiving a very handsome salary. One would suppose that he could acquaint this Government with what is going on and that through him any action reasonably possible to take might be taken. This, surely, was not a subject making necessary investigation by these gentlemen for so many weeks, if not months. I can not at the moment think of anything else of urgent importance that was considered. The Prime Minister says that he has noticed in the papers suggestions that he and his colleagues were having a good time in England. We can not be blamed for what the newspapers say, and I am inclined to think that the newspapers can not be blamed for the reports they give. It was open to every one to see, day after day and week after week, what was going on. The Minister of Marine and Fisheries (Mr. Hazen) the Prime Minister (Sir Robert Borden) and the Minister of Public Works (Mr. Rogers), we read, dined with His Majesty the King. The newspapers could not blind their eyes to the fact that the Prime Minister received the freedom of several cities in England, and that excellent speeches were made on these occasions. The newspapers must have seen that these gentlemen, during the Easter holidays and at other times, were having a good time—

Mr. JAMESON: Surely the hon. gentleman does not call that of which he has just been speaking "having a good time"?

Mr. PUGSLEY: A very excellent and pleasant time. But, as to real work, I would like these gentlemen to tell us what they have done that could not have been done equally well by correspondence or through the Overseas Minister, who is also the acting High Commissioner? When they went to England, I joined heartily with other members on this side of the House in wishing them Godspeed on their journey, and in expressing the hope that they would be able to accomplish something for Canada and for the Empire. They come back empty handed except with this beautiful mace that is now lying on the Table. My right hon. friend the leader of the Opposition was happy in the remarks which he made in reference to that a few days ago. Really that is the only tangible, the only substantial thing that they have brought back.

But just a word in regard to the very important subject which my right hon. friend has referred to and which, of course, has nothing to do with his visit to the other side of the water. That is the question of conscription. This House, I would suppose, would hardly be called upon to express an opinion on this important question until the particulars have been brought down. The statement has been made that it is to be selective conscription. As to whether the country will be satisfied with the measure of conscription which is proposed will depend very much upon how the selection is to be made. I could understand that in England, where they have a national Government, a Government free from all partisanship, a Government which is absolutely non-partisan in its character, selective conscription could be worked out to the general satisfaction of the people. But if, in this country, when the war broke out, this Government had created an absolutely national, non-partisan Government, and if the war had been carried on irrespective of party consideration and of party patronage, the Government would be in a very different position to-day to ask the country to trust them with the duty of carrying out selective conscription. We have no intimation from the Prime Minister as to how the duty of carrying out the selection is to be performed. If patronage is to enter into it, if partisanship is to enter into it, as it appears to have entered into everything connected with the war, then it is very doubtful if the people of the country will be satisfied with it. I agree with my right hon. friend the leader of the Oposition that the people are united in their desire to do everything that is possible to win this war. If conscription is necessary in order to have more men available at the front, I think the people will agree to conscription, but I also think, Sir, that the people will demand that there shall be conscription, not merely of man power, but of the accumulated wealth in this country as well. They will demand that. The people, and especially the labouring people, will not be content that the youth of Canada should be conscripted and sent by force to the front while the wealth of this country is allowed to go scot free. It will demand that conscription shall be applied so as to do equal justice to all classes in the community. I shall await

with interest the bringing down of the measure providing for conscription before venturing any opinion as to whether it should be approved of by the House, but I, as one humble member of this House would say that a great deal will depend on the mode in which selective—because that word "selective" is a most important word in connection with it—conscription is to be carried out.

Hon. J. D. HAZEN (Minister of Marine and of Naval Service): Mr. Speaker, I think it will be admitted by every member of this House and by every person throughout the country wherever the speech of my right hon. friend is read, that this afternoon, dealing with a question of very great and far-reaching importance, that the Prime Minister (Sir Robert Borden) made a deliverance that can be characterized properly and truthfully as dignified and statesmanlike. I think it may also be said that my right hon. friend the leader of the Opposition (Sir Wilfred Laurier), in his short address, dealt with the matter in a way that was worthy of one occupying the high position he occupies in this House. The hon. member for South York (Mr. Maclean), who also addressed the House, spoke from the standpoint of the public interest, and it remained for my hon. friend from St. John (Mr. Pugsley) to deal with this transcendent Imperial question from the standpoint of petty party politics. It is to be regretted that an hon. gentleman possessing the ability and long parliamentary experience of my hon. friend should never be able to get away, in dealing with any question before this House, from a desire to secure party advantage. As a matter of fact, the hon. gentleman of late years has got so that he cannot deal with any question, I think I am within the mark in saying so, from the standpoint of the public interest no matter how important that question may be to the people of the country, but he thinks it necessary, with every question, great or small, to descend into the realm of petty, partisan discussion irrespective of what the public interest may be, his desire being to advance party interests first and the interest of the country afterwards. I think it is related of Queen Mary of England that she said that when she died the word "Calais" would be found engraved upon her heart. I am disposed to think that my hon. friend has taken Courtenay Bay so much to heart that when my hon. friend dies "Courtenay Bay" will be found engraved on his heart although, for personal reasons, I hope and trust that his demise may be postponed for a very long period. My hon. friend invariably, since the session of 1912, has repeated his speech on Courtenay Bay six or seven times during every session, and when he makes that speech I am always reminded of the story of the man who, to save time, instead of saying his prayers at night, had his prayer written on a card which he hung on a post at the foot of his bed, and when he got into bed he pointed to the card and said: Lord, those are my sentiments. It would save a great deal of the time of this House if the hon. gentleman would adopt some such course in regard to that speech which, I venture to say, nearly every hon. member of this House has by memory now and could get up and repeat in exactly the same words as my hon. friend has used here tonight and on many previous occasions. I must say, however, that there are some very notable omissions from the speech of my hon. friend. My hon. friend always puts it forward that had the contract been awarded for cruisers and destroyers, for which tenders were asked by the Government of which he was a member, they would have been built at Courtenay Bay in the vicinity of St. John. My hon. friend always forgets to tell this House, what I must remind him of, how these tenders were received nearly six months before the date of the general election of 1911, and how they were placed in a pigeon hole in one of the departments and never again saw the light of day. If the hon. gentleman had been in earnest, if he had been sincere, if he had ever believed that they were to be built in Courtenay Bay, would he have allowed six months, or practically six months, to pass without any action being taken upon them? When the hon. gentleman went out of power the tenders were resurrected from the pigeon hole to which they had been consigned. My hon. friend says that these vessels would have been built at Courtenay Bay. My hon. friend always forgets to tell this House that his honoured leader told this House that had his Government stayed in power these cruisers and destroyers would have been built at Montreal.

I have previously asked my hon. friend to reconcile the statement he so often makes with the statement of his leader, but that he has not been able to do and cannot do. For six months those tenders were pigeonholed and nothing was done; but when the elections took place it was held out as a glittering bait to the people of St. John,

the people of Halifax, the people of Montreal, and the people of Sydney that if the Government was returned to power theirs would be the places where those cruisers and destroyers would be built. When I came into office as Minister of the Naval Service I found—

Mr. PUGSLEY: I wish to correct my hon. friend. My hon. friend says that for six months these tenders remained in a pigeon hole. I want to tell him that these tenders and specifications were taken by the Minister of Marine and Fisheries to England for the purpose of consultation with the authorities there, and brought back from England very shortly before the elections took place.

Mr. HAZEN: And that is the explanation my hon. friend made to this House before, an explanation that must be utterly unsatisfactory to this House and to the people of this country. Why were they taken to England? Why were they not dealt with here? To-night my hon. friend objects because members of the Government went to England at the request of the British Government. Why should this matter, a matter that should have been dealt with by the Government of Canada if they had made up their minds as to the policy they were to pursue, why, may I ask my hon. friend, who talks so much about Canadian autonomy to-night, should these tenders be taken to England? Parliamentary language might perhaps not permit me to say—

Mr. PUGSLEY: Does the minister want my answer?

Mr. HAZEN: —that the excuse is a mere excuse and is not a reason.

Mr. PUGSLEY: Will the minister allow me to answer, or does he desire an answer?

Mr. HAZEN: If the hon. gentleman waits until I have concluded my speech he may answer. The hon. gentleman has a habit of always interrupting when a member is addressing the House—

Mr. PUGSLEY: You asked me a question

Mr. HAZEN: And while that is the case there is no member so sensitive to interruption or who resents it so much as my hon. friend when he is on his feet. I say that my hon. friend when again addressing the House on this subject would do well to tell the facts of the case. It makes little difference, they have been told over and over again in this country and are well known to the people. My hon. friend can go on repeating his excuse for many years to come but he will fail to make any impression upon the people of Canada or on the people of the constituency which he especially desires to influence by the statements he is making in regard to this matter.

My hon friend (Mr. Pugsley) has to-night made the claim that this Government has done nothing to advance ship building in Canada. One would think from the statement of my hon. friend that really nothing was being done about the building of ships in this country. Let me point out, what every member knows, that every ship yard in Canada is full to capacity at the present time, building ships for the purposes of the British Government and for purposes of trade between this country and Great Britain. My hon. friend says that the Imperial Munitions Board will not award contracts for ships of less than 2,500 tons. Let us see what has been the connection of the Imperial Munitions Board, a Board responsible to the British Government alone, with this matter. The British Government, after the reconstruction of the Cabinet under the leadership of Mr. Lloyd George, appointed a controller of shipping, and for that position they obtained the services of one of the most experienced shipping men in the world, Sir Joseph MacLay, the head of a great shipping firm in the city of Glasgow, a firm known the world over. Sir Joseph MacLay has been wrestling with this question of acquiring ships since he came into office; it is admitted on all sides in the British Isles that no more capable man could be found for the task. When I was in Great Britain I spent many hours with Sir Joseph MacLay and his officers discussing these matters. I was at his office time after time, discussing with him and members of the Department over which he presides, the shipping situation, pointing out to them the advantages which were offered in Canada for the conctruction of ships, and I do not think I am speaking in any language of exaggeration when I say that I believe it was in part at least due to the efforts I made that many of those contracts upon which our Canadian ship yards are now working were placed in Canada. These ships are being built for Great Britain and for British trade. They are being built for the purpose of relieving, as far as may be, the serious condition of affairs that exists

to-day, because, in consequence of the operations of the submarines, and of the fact that Great Britain has had to supply shipping not only to meet the requirements and wants of the people of the British Isles, but also the requirements of her Allies, there has not been available as much shipping as is necessary to carry to Great Britain the commodities required for use there. As a result of that situation, the greatest economy and frugality must be exercised, and that condition will continue to exist between now and the next harvest, in order that the people of the British Isles may have sufficient food for their wants. As a matter of fact, the condition is so serious that for three or four weeks before we left Great Britain no potatoes at all were served at the hotel where we were staying, or at any hotel in the city of London. Sugar was extremely scarce, and flour was scarce and had to be carefully husbanded. At the hotel where we were staying, under the order of the director of food supply, Lord Devonport, only a small portion of bread was served to the guests at each meal, and we saw no such thing as white bread, because the wheat flour was being mixed with rye and with meal made from barley in order to make the wheat flour go as far as possible. That is the state of affairs, and it has been brought about in consequence of the lack of tonnage to carry foodstuffs in large quantities to feed the people of the British Isles.

Mr. PUGSLEY: Hear, hear.

Mr. HAZEN: I do not think for a moment that there is going to be starvation in the British Isles. There is lots of food of certain sorts. There seemed to be no lack of meat or fish or other foods of that sort. Still, economy and frugality and prudence will have to be exercised, and Sir Joseph MacLay is doing his utmost, with a large staff of competent shipping men about him, to utilize the shipping facilities of Great Britain, Canada and all other parts of the world. In order to make good as far as possible the ravages and losses caused by the submarine campaign and by the diverserion of a large number of ships from commercial traffic in consequence of their being employed in the transport of troops and munitions to distant countries and theatres of war, these steps are necessary.

All these facts are in the mind of the shipping controller, who occupies a most responsible position to-day. In consequence of that, he is making arrangements for the building of ships in Canada, through the instrumentality of the Imperial Munitions Board, which is responsible to the British Government alone, the expenses being financed I believe, although I am not quite positive, in whole by the Government of Canada, who are making the advances for the purpose of carrying on this work. However, I make this statement subject to correction, because certain arrangements were made when I was away and I have not been able to catch up with my work since my return and get full information on all the subjects with which I should be familiar. As I say, those contracts are being made in Canada, but the shipping controller and his staff have decided that the ships they require are to be of not less than 2,500 tons dead weight capacity.

That is the decision that the British Government has come to through the responsible department of the shipping controller. It is for that reason that the Imperial Munitions Board cannot place contracts for ships that are smaller than 2,500 tons. There is no doubt that in different parts of Canada, along the coast of the Maritime Provinces, in British Columbia, on the St. Lawrence and at other places, many ships can be built and are being built to-day. In the province of Nova Scotia a large number of ships——

Mr. PUGSLEY: By private parties.

Mr. HAZEN: By private parties, and these private parties, at the present rate of freight, if they have any luck at all and escape the submarines, will make most handsome dividends and profits. Numbers of ships are being built to-day by private parties.

Mr. PUGSLEY: Could the minister tell me the highest tonnage of these ships?

Mr HAZEN: I am told that the ships being built in Nova Scotia run from 1,500 tons down to small vessels of say 150 tons. I believe that a large number of them are under construction in Nova Scotia. When I was in England I pointed out to the Shipping Controller the desirability of utilizing all the wooden shipping possible for the purpose of carrying foods across the ocean. Since returning to Canada I have again communicated with Sir Joseph Maclay and Right Hon. Walter Long, impressing the desirability of the matter upon them and asking for further consideration of it.

Mr. PUGSLEY: Why do they not accept smaller vessels?

Mr. HAZEN: What ground of criticism is there against the Government because the Imperial Munitions Board is not awarding contracts for the construction of ships of less than 2,500 tons, having regard to the statement of facts that I have put before the House to-night? In what way is the Canadian Government responsible or to blame for that? After all, if we have shipyards employed to their utmost capacity; if smaller yards are employed by private individuals who are enterprising enough to go into business and to build ships in very considerable numbers, in what way does the interest of the country suffer? though at the same time I would hope that the British Government would see its way clear as a matter of policy to decide that ships of less than 2,500 tons should be built for them in Canada under the control and jurisdiction of the Munitions Board. When my hon. friend addressed the House he should have known, if he did not know, that in what they were doing the Imperial Munitions Board were following the direction of the Shipping Controller of Great Britain. If he did know that, or if he did not know it—more especially if he did know it—it is evident that my hon. friend was not so desirous of assisting to advance the commercial and shipbuilding interests of Canada as he was to score a point against the Government, basing his argument on premises that were not substantial and on a condition of affairs for which the Government are in no sense responsible. These are the facts, and that is my excuse for replying to what my hon. friend said this afternoon.

Passing from what my hon. friend has said, I would refer for a few moments to the remarks that were made this afternoon by the right hon. gentleman who leads the Opposition. My right hon. friend had very little criticism to make with regard to the statement of the right hon. leader of the House as to what occurred at the meetings of the Imperial War Cabinet and of the Imperial Conference. My hon. friend did indulge in a little criticism of the hon. Prime Minister because the Minister of Public Works was one of the gentlemen who were asked to accompany him to England. The right hon. leader of the Opposition said that in his opinion the two ministers who should have accompanied him to England were the Minister of Naval Service and the Minister of Militia. The Minister of Militia declined to go to England because he had been in office only a few weeks, was overburdened with work, had upon his shoulders the responsibility of what is to-day the most important department of the Government, and had to acquire a knowledge of that department to enable him to administer it with the success with which, I am glad to say, he is administering it. Moreover, there is an Overseas Minister of Militia in the person of Sir George Perley, a very capable business man who is devoting himself entirely to the work of the militia and of the High Commissioner's office in London. Having all these facts in mind, it was considered that it would be possible to allow the Minister of Militia to remain in his office at Ottawa and that the hon. Minister of Public Works might accompany the Prime Minister in his place to the old country. When there we were in constant and daily touch with Sir George Perley; we were in constant and daily touch with the authorities in the War Office and with the authorities of the Admiralty Department. The right hon. gentleman, in making this criticism, did not press the point very much and was not himself, I believe, very strongly impressed with the force of the criticism that he was making.

The member for St. John says that the Conference and the War Cabinet were barren of result and he would have the country believe that the members of the Government who were over there were not engaged in serious work; that they were indulging in junketing trips about the country; that they were simply enjoying themselves in a social way and were not properly attending to the business of the country. I say, Sir, that a meaner insinuation was never made to this Parliament or to the people. In many respects I entertain a feeling of great regard for my hon. friend, but I say that it is not worthy of him to make a charge of that kind against the Prime Minister and two of the members of the Government. Not only is it unworthy of him, but it is another evidence of the fact that he views the questions that come before this House only from the narrow standpoint of petty politics and that he cannot rise to the position of a statesman and discuss big issues in a statesmanlike, dignified and proper manner as is fitting in a great Parliament like this. Let me tell my hon. friend that while I am in Ottawa during the session of the House, every moment of my time is occupied. Any man who has been in a ministerial position, as many of my hon. friends whom I see opposite have been, know that no man can discharge the duties

of a minister of the Crown during a session of Parliament in ordinary times, without devoting his whole thought, time and attention to the duties of that office. But busy as I have been during the past sessions, more especially since the war broke out, and during the time when extraordinary work has been thrown upon the department of which I am the head, I never did a greater amount of harder and more exacting work during a session of Parliament in Ottawa than I had to perform during the time I was in Great Britain. It was a relief to me when we got on the steamer at Liverpool on our way to Canada to obtain a few days rest after the strenuous work that we had beeen undertaking. I am sure my hon. friend will realize how unfair it is that the suggestion should go abroad that men in responsible positions in the Government, when upon a mission which in point of importance was as great as any that Canadian statesmen ever went on, should be idling away their time, indulging in social pleasures and neglecting the business for which they went overseas.

My hon. friend is not satisfied with what the Imperial Conference has done; nor is he satisfied with what the War Cabinet has done. In this respect, my hon. friend differs very much from the gentleman who at the present time, with the general consent of all parties in the state, is Prime Minister of Great Britain. Mr. Lloyd George, in addressing the War Cabinet at its last meeting, gave us this message. Let me remind the House, however, in the first place, that three days in the week we had meetings of the Imperial Conference and, on the other three days, meetings of the Imperial War Cabinet. In addition to that there were committees on which we served, and it was my privilege to serve on two or three most important committees, one, regarding tonnage restrictions, on which I served along with members of the British Government and members of the Overseas Governments, another with regard to conditions which might arise when terms of peace were proposed, and on this latter committee there were four members of the British Cabinet and it was presided over by Lord Curzon, who himself was one of the five members of the British War Cabinet. Mr. Lloyd George, in saying farewell to us, said that the presence of the overseas representatives of the War Cabinet not only was an encouragement and a support to the Government of Great Britain, but had proved to them a real and genuine help. He further said that everything that the British Government knew had been unreservedly placed at the disposal of the representatives of the overseas Dominions, and that it would be a great mistake if the experiment that had been made in calling together an Imperial War Cabinet this year was not repeated and incorporated in the very machinery of the Empire. That, he said, was the opinion of every member of the British Government. For that reason Mr. Lloyd George said that in his opinion, war or no war, a session of the Imperial War Cabinet should be convened at least annually, for the purpose of reviewing, apart from the war, the general foreign policy of the British Empire. It was inconceivable, he said that after this war, the overseas Dominions should not be, not only fully informed as to all matters of foreign policy, but consulted before any such policy was agreed upon by the British Government, and he went on then to say that in his opinion, as the Prime Minister stated this afternon, the Imperial Cabinet should consist of the Prime Minister of Great Britain and certain other ministers, such as the Colonial Secretary, the Secretary of State for India, the War Minister and the First Lord of the Admiralty, whose duties would naturally bring them more closely in touch with Imperial affairs than others, and the Prime Ministers of the overseas Dominions. He did not refer to the overseas Dominions as dependencies, as I was sorry to hear my hon. friend on the other side refer to them to-night. The word "dependency" grates harshly on my ear. Mr. Lloyd George said that the Prime Ministers of the overseas Dominions should attend these War Conferences, and if the Prime Minister of any overseas Dominion was for any reason unable to attend, then a minister delegated by him and given extensive powers should attend and also such other ministers from the overseas Dominions as the Prime Minister considered would be of value at the conference, because of any information they might through their departments possess of matters of special import concerning the Dominions overseas and the relations of the Empire abroad. That was the opinion of Mr. Lloyd George, and he said that that was the opinion of every member of the Government. The Government of Great Britain to-day is composed of men of different political faiths. There are men who are Liberals, men who are Conservatives and men who are special

representatives of the great labour interests of the country. The War Cabinet, for instance, consists of five men: Mr. Lloyd George, a Liberal; Mr. Bonar Law, a Conservative; Lord Milner and Lord Curzon, Conservatives, and Mr. Arthur Henderson, the representative of the labour interests of the country. The Government itself, outside of the War Cabinet, is composed of men of different political parties, and Mr. Lloyd George, speaking for them, referred to the services rendered by the overseas representatives at the War Cabinet in the language which I have used, and which is substantially correct, even, I think in many cases, to the words that he used. That being the case, perhaps those of us who accompanied the Prime Minister overseas and the Prime Minister himself will not feel so badly, as we otherwise might at the fact that the hon. member for St. John (Mr. Pugsley) thinks we are of no service and have accomplished no good.

10 p.m.

Something has been said to-night about Imperial federation. I never knew exactly what was meant by Imperial federation, except this: there never was any hard or fast scheme to which any great body of people in this country committed themselves, and my understanding of the phrase Imperial federation did not necessarily imply an Imperial Parliament; it did not necessarily imply the sacrifice of a single iota of our autonomy or independence or liberty. If it did no man in this country would support such an idea for a single moment. What I have always understood by Imperial federation was that there should be a closer drawing together in the bonds of union, friendship, sympathy and common support, and the maintenance of a common Empire of Great Britain and its overseas Dominions and India and all the countries generally that make up the British Empire. Speaking from that standpoint, I believe that the result flowing from that meeting of the War Cabinet this year, with the declaration that no question of foreign policy will be embarked upon without the overseas Dominions being consulted and without all the information being placed before them, is the greatest advance in the way of linking together more closely for common support and for the objects that are dear to the hearts of the people throughout the Empire that has occurred since the British Empire was first known to exist. To-day we have the fact that on an equal footing, with Great Britain, perhaps, being primus inter pares—the first among equals—our statesmen, whatever party may be in power, are to meet year by year with the members of the British Cabinet for the purpose of considering and discussing questions that are for the interest and promotion of the cause of Empire the world over. Could there have been taken any more effective step without sacrificing one single jot or iota of our independence, political freedom or political autonomy? I believe, when party passion disappears, and the events of this year are viewed dispassionately, as they will be by the historian of the future, it will be admitted that one of the greatest steps ever taken for the advancement of the cause of this Empire and the uniting together more closely its component parts in bonds of friendship that in no way interfere with the independence of the Empire, was taken during the last few weeks, and it is one that I believe will, in the future, redound to the advancement of every part of this Empire and go a long way towards ensuring the future peace of the world. I did not intend to speak to-night, and I do not want to trespass much upon the time of the House, because there may be another opportunity for taking up in detail the questions that have been referred to. The resolutions that were passed at the Conference I do not intend to take up in detail, nor at any great length, but there are a few matters that have been referred to in the course of the debate this afternoon in regard to which I will crave a few moments of the indulgence of the House before I take my seat.

Reference was made in this House and we saw references in the press to the drinking habits of the Canadian soldiers in the different camps in which they were placed in Great Britain. I want to tell this House in regard to that matter a few facts, more in detail than the matter was referred to by the Prime Minister this afternoon. At one of the meetings of the Imperial Conference Sir Edward Henry, Chief of Police of the city of London, appeared before us, and he told us that in what he spoke of as the London area, there were from three to four hundred thousand soldiers every night; that many of them were on leave from the trenches, and many of them were going to or coming from the front. As a result, the streets of London were frequented in large numbers by these men.

Most of them were men without relatives or friends, and many of them naturally sought human society and human comfort, and yet Sir Edward Henry told us that of the 300,000 or 400,000 men who were in the

London area every night, the largest number of soldiers who had ever been arrested in one night for drunkenness was 16, and the number hardly ever exceeded 10 or 13. I do not think anything could speak more strongly for the sobriety and good-behavior of the soldiers there. The soldiers Sir Henry referred to were not all Canadians; some were from Australia, or New Zealand; many of them were British; and there were others from almost every quarter of the globe. These figures, I repeat, are a splendid tribute to the sobriety of the soldiers who are fighting the battles of the Empire at the present time.

Coming more directly to the Canadian soldier, against whom I understand a charge was made in this House, the day before I left England I received a letter from General Steele, in command of the Canadian troops at Shorncliffe. This letter was not written at any solicitation of mine.

Mr. PUGSLEY: I wish to correct my hon. friend. He says a charge was made in this House against the Canadian soldier. If he is referring to the matter my hon. friend from Rouville brought before the House, I would point out that what the hon. member for Rouville did was to read a letter from an officer who had been in England, in which a complaint was made against the wet canteen, which the officer said was a temptation to the Canadian soldier.

Mr. CROTHERS: And a complaint against a dry canteen, too.

Mr. HAZEN: I did not have the pleasure of hearing the speech of my hon. friend from Rouville, but I saw in the English press—and it may have been an erroneous impression of what the hon. member said—that the hon. member for Rouville had criticised the wet canteen and alleged that as a result of it there was a great deal of drunkenness among the Canadian troops in England. I would not for one moment do the slightest injustice to the hon. member for Rouville, who is a friend of mine, and for whom I entertain feelings of very great regard. I am only stating that as a result of his speech that impression did get abroad, although, of course, the hon. gentleman may not have so intended.

Mr. PUGSLEY: He read a letter from an officer who had been in England.

Mr. HAZEN: I have here a letter which I received from General Steele, commanding the Canadian troops at Shorncliffe. I think everyone in this House knows of General Steele, of his standing as a soldier, of his record in the Mounted Police, and of his South African career:—

Headquarters, Shorncliffe Command,,
4th May, 1917.

Dear Mr. Hazen:—

Regarding the question of drunkenness among Canadian soldiers in England, I am enclosing herewith for your information, as I know the Canadian ministers are deeply concerned on this subject, copy of a newspaper clipping from a Canadian paper, copy of letter which I have written to the General Officer Commanding Canadian Overseas Military Forces in England, and a copy of memo from my D.A.A. & Q.M.G., showing the number and percentage of cases of drunkenness for the month of April, 1917.

This average has during the past year or more neither increased or decreased, although at times there have been from forty to fifty thousand troops in the Shorncliffe area.

Copies of these enclosures have been forwarded to Sir Robert Borden and Colonel the Hon. Robert Rogers. With kind regards,

Yours faithfully,
S. B. Steele.

Hon. D. Hazen, M.P.,
Minister of Marine and Fisheries for Canada,
c/o Savoy Hotel, London.

I will now read General Steele's memorandum, which is based on the return furnished to him by Major L. N. H. D'Aeth, D.A.A., and Q.M.G. Shorncliffe Command:—

Headquarters, Shorncliffe Command,
2nd May, 1917.

General Officer Commanding,
Canadian Overseas Military Forces,

Argyll House, 246, Regent Street, London.

With reference to the enclosed typewritten copy of a cutting from a Canadian newspaper, regarding wet canteens in Canadian camps in England, I have received several letters from prominent ladies in Canada relative to the matter of alcoholic temptations to which Canadian soldiers are subject in this country.

With regard to the Canadian troops stationed in the Shorncliffe Imperial Command under my jurisdiction, I would like to state that the percentage of drunkenness during the past two years has been very minute, at the present time, the average works out at only one-third per man per thousand per day. The present strength of Canadian troops in the Shorncliffe area is thirty thousand, more or less, and this number of troops is equivalent to a civilian male population of military age of several hundred thousand. I can say without hesitation, that drunkenness amongut the soldiers in this command is very much less than amongst civilians, and that, in a civilian population of the number stated above, the cases of drunkenness would work out at a higher percentage in comparison with that of the troops. Further, it is observed that, as is well known, a soldier is considered drunk when he is unable to carry out a military duty, whereas a civilian may be even more under the influence of liquor than a soldier but would not be considered intoxicated unless he was unable to walk without assistance or was a disturber of the peace.

I daily see reports from my D.A.A. & Q.M.G., a very capable officer and a good disciplinarian, under whose province such mat-

ters come, and find that these reports are quite satisfactory in every respect. Colonel Burns-Begg, the town commandant of Folkestone, has told me personally that the behaviour of the Canadian troops in Folkestone and vicinity has always been of a high order, and that, in comparison with troops elsewhere, they are first in this respect. Ever since I have had this command, I have made it a special point to endeavour to reduce drunkenness to an absolute minimum and feel that efforts in this direction have been successful. At first, the percentage of drunkenness amongst the Canadian troops was higher, but for a long time past it has been as stated. At times there have been over forty thousand Canadian troops here, and cases of drunkenness have been just as rare as at present.

Regarding wet canteens, during the whole of my service I have been a strong advocate of dry canteens in camps in Canada and was the first officer to secure such; I have also made it a point to carefully watch the messes of any unit under my control to secure that moderation is observed at all times and that the iniquitous system of treating was not carried out. Dry canteens in camps removed from towns are practical and sound in Canada, but in camps—as in England—which are in close vicinity to towns where liquor can be obtained, wet canteens are, in my opinion, a safeguard and a help. These wet canteens are most strictly controlled, and sensible men can there secure good wholesome beer. No man, even if he desired (and the great majority have no wish to do so) can secure more liquor than is good for him owing to disciplinary control, and intoxication through the medium of wet canteens is not, therefore, possible.

Regarding public houses, these are also under the surveillance of the military police in addition to the civil police, and the town commandant watches these places very closely. The beer sold there is inspected by Government officials under the Pure Food and Drugs Act to secure that it is wholesome and up to the Government standard.

I would also add that, from my own personal observation, in and around the towns of Folkestone, Sandgate and vicinities, I have not seen any cases of drunkenness; had there been any, I would have noticed them as I have made it a special point to observe the troops in this connection. I feel that, as far as the Shorncliffe area is concerned, the charges made by the people in Canada in regard to drunkenness and the temptations which face the Canadian soldiers in this country are without foundation; rather, on the other hand, are their temptations greatly removed by the strict disciplinary control which is and has been exercised over the wet canteens in the camps at Shorncliffe and over the public houses in the towns adjoining. Personally, as G.O.C. Troops Shorncliffe Command, I have exercised my fullest powers in this matter and am satisfied that, as a result, this evil of drunkenness is virtually non-existent.

S. B. Steele, Major-General,
G.O.C. Troops Shorncliffe.

From other camps I have similar evidence in my possession, but, unfortunately, have not it before me to-night. These statements show a similarly gratifying state of affairs as existing. I certainly hope the press of this country will give as much publicity to the statements made by these responsible officers as has been given to the resolutions and reports that have gone abroad regarding the drunkenness alleged to prevail. It will be comforting to the friends and relatives of the soldiers overseas, and will no doubt relieve the anxiety aroused by the stories that have been circulated of indulgence in alcoholic liquors, to have these authoritative statements concerning the men of our overseas forces who are upholding not only the honour of Canada, but the honour of the Empire as well.

This afternoon the Prime Minister (Sir Robert Borden) referred to a visit we had made to France and to the Canadian lines there, where we saw the work carried on at the Canadian headquarters and the British headquarters. He referred to the wonderful work being done by the Canadian construction corps under the command of General "Jack" Stewart, a member of the firm of Foley, Welch and Stewart. The Prime Minister told the House of the railway General Stewart built in four days which the army engineers said it would take six weeks to build. Over a district where the battle had been raging, and where every foot of land for miles and miles had been utterly torn to pieces, where whole villages had been wiped out so that not a vestige was to be seen, we travelled over that railway, and it was explained by the British officers what wonderful work had been done in the construction of these railways and what splendid service the construction corps from Canada had rendered the cause for which we are fighting.

The Prime Minister referred also to the railway men and forestry men as non-combatants. So they are. But, while they are non-combatants, railway men are not free from danger, and the casualties among them have been very great. In many cases these railways are being built actually under shell fire. Their positions are discovered by the Germans and shells are hurled amongst them, and deaths result. Another reason for many casualties is in the many shells that land that fail to explode when fired. These shells lie buried in the mud, and as the railway construction men are at work using ploughs or shovels, the impact upon one of these shells cause it to explode. A large number of casualties result from this cause. So, while they are

non-combatants in a sense, at the same time the railway construction men are incurring a danger not very much less than that incurred by the men actually fighting in the trenches. One could not help feeling impressed with the wonderful cheerfulness of the men at the front, their wonderful physique, and the wonderful work they are doing. I never met a man in the trenches who had a complaint to make about anything. They were trying to do their duty for the honour of the Empire and of Canada. And in the different hospitals I visited—and I visited many of them; whenever I had a spare hour or two I went to some of the various hospitals to inquire for our Canadian soldiers, and I think I must have talked to thousands of them—I found the same spirit of cheerfulness prevailing. As far as I could judge from my own observations and from the statements made to me by the men in the hospitals, the Canadian hospital service is one that is a credit to the people of this country, and those who have friends at the front should have the satisfaction of knowing that those friends will receive in our different hospitals the very best of treatment. All these hospitals are equipped with operating rooms, X-ray apparatus, and instruments as modern as can be found in the best hospitals in Canada. The best of Canadian surgeons and doctors are there, and the best of Canadian nurses. And all over the land in England and France I found the women of Canada in the hospitals ministering to the wants of our soldiers who have unfortunately been wounded.

Let me tell a little story illustrating the spirit of the Canadian boys at the front. One night about ten o'clock, after I had returned from a visit to the military camp at Shoreham, I found a cable from a member of this House telling me that he had information that his son had been wounded, and asking me if I could ascertain where he was and what was his condition. It was just after the battle of Vimy Ridge, and many wounded were being brought across the Channel. I at once inquired by telephone among the different hospitals, and at length I found this young man was in the First London General Hospital, and the information I was given was that he had received a flesh wound in the leg, that his condition was not serious, and that he was getting along very well. I wired this information to his father, and the next morning, being Sunday, I went to the hispital to see him. And a more cheerful boy I never saw. Lying in the bed next to him was the brother of a member of this House, the hon. member for Centre York (Mr. Wallace), wounded, but I am glad to say, not seriously. And in another near-by bed was the Colonel of the regiment of the young man, the son of the hon. member for Kingston (Mr. Nickle). He told me the story of the fight. Referring to my hon. friend's son, he said that early in the day the young man was wounded in the head by a piece of shrapnel. The wound bled a good deal, and the young man was ordered back to a dressing station and to fall out. But he would not do so; he said that he would be disgraced forever if he did; that he was there to help to take Vimy Ridge and he wanted to go on. His Colonel allowed him to have his way. Later in the fight, the boy received the wound which caused his removal to the hospital. This is illustrative of the courage and spirit that characterizes all our Canadian boys at the front, so far as I could see, without one single exception.

Many members of this House have sons in the fighting force. I think that nearly every member who has a son of military age has that son serving at the front. Some have unfortunately lost their sons in the war. The Prime Minister referred to the fact that arrangements had been made that the graveyards in which the Canadian soldiers are buried would be kept in proper condition in perpetuity at the expense of the British Government and the Governments of the overseas Dominions, through the agency of a commission of which the Prince of Wales is chairman. That, I have no doubt, is gratifying news to all the members of this House as it is gratifying to myself. When I was in France I visited a graveyard in which I have a very great personal interest. Lying side by side with my own dear boy I saw the names of other Canadians—of General Mercer; of the son of the late General Cotton; and the sons of other prominent Canadians—all sleeping their last sleep. And extremely gratifying it was to me to see the way in which that graveyard was kept and to observe the evidences that the loving hands of companions and comrades of these men who had given up their lives had done everything that could be done to make their last resting place what their relatives and friends overseas would desire to have it.

All through the Canadian forces, on every side, I found that feeling of comradeship, that feeling of affection one for another, that feeling of sacrifice and I felt, as I

looked over towards Vimy Ridge from Mount St. Eloi and was told that in a short time four Canadian divisions would be hurled against it, it would be little less than a crime if we in Canada did not see that these divisions were replenished, that all wastage was made good and that men would be kept going from Canada to sustain and strengthen the arms of those who had been fighting so valiantly for our cause over there. Whilst at the outset of the war I thought that the effect of men voluntarily coming forward to serve their King and country without any compulsion at all was a much grander and more inspiring sight than would be that of men being brought forward under compulsion, I also made up my mind that if the voluntary system failed it would be our bounden duty as Canadians to adopt methods similar to those which have been adopted in practically every other country in the world and to see that men went forward from Canada to fill up the ranks of those who had fallen in the fight and were incapacitated from further service. That is the reason that actuated me in giving my consent to a policy which might be described as compulsory service or conscription, or whatever you may choose to call it, such as was announced by my right hon friend the Prime Minister this afternoon, a policy which this Government intend to stand or fall by in the estimation of the people of this country.

There are many other matters that I might speak about in regard to our visit but I feel that it is unnecessary to do so; in fact at this late hour, time will hardly permit. There will be future opportunities of discussing perhaps more in detail some of the matters of interest to this country that we came in contact with on this trip abroad. Let me say, however, that grievously as we have been stricken by the war, great as is the sacrifice, personally, financially and commercially that the people of Canada have had to make, yet there is some satisfaction in knowing that wherever you go in France or England you find the praise of Canada, and what Canada has done, on the lips of every one. As a result of what Canada has done, Canada's name to-day looms larger in the opinion of the world than ever it did before and it has taken a war to make the people understand the wonderful resources of Canada and the wonderful vigour of Canadians of the present generation.

Mr. PUGSLEY: Will my hon. friend (Mr. Hazen) permit me to say that I am very glad that I made a reference to him because if I had not done so it would not have given us the opportunity of listening to the very eloquent, interesting and affecting speech that the hon. gentleman has made. The minister stated that every shipyard in Canada is occupied to-day in building ships for the Imperial Munitions Board. I would like the minister to tell me what number of vessels are being built and where they are being built. There are a number of shipyards in the Maritime Provinces where wooden vessels were built in the past, but where there are no ships being built now.

Mr. HAZEN: I cannot give the hon. gentleman that information at the moment, but I shall endeavour to get it and give it to him. I will have to go to the Munitions Board. When I say that every shipyard is filled to its capacity I do not refer to shipyards which were shipyards in the past, but where no ship has been built for many years. I refer to shipyards where people have a plant and are ready to receive proposals for the construction of ships. I refer to Mr. Davies at Quebec, the Canadian Vickers Company at Montreal, the shipyards of Collingwood, the Polson Iron Works at Toronto, Couglan & Son on the Pacific coast, and the Wallace shipyards on the Pacific coast. I believe that ships are being built at the present time at New Glasgow by the Nova Scotia Steel Company. These are shipyards I had in my mind. There are places, for instance, along the St. John river, amongst them Oromocto, where I was born, at which ships have been built. At Oromocto there were three shipyards, but no ship has been built in them for the last forty years. However, I will be very glad to get the information for my hon. friend.

Mr. D. D. McKENZIE (North Cape Breton and Victoria): Mr. Speaker, I have listened with a great deal of interest to the hon. Minister of Marine and Fisheries (Mr. Hazen), and I suppose it is only fair as a member of this House that I should extend to him my congratulations upon the very excellent presentation of the case which he has placed before the House, and also my sympathy with him in the trying ordeal of visiting the ground on which his beloved son has shared the fate of many other Canadians who have given up their lives for the sacred cause and for their country. I have listened with a good deal of attention to the whole of my hon. friend's speech, and, going back to the first of it, where he accused my hon. friend from St. John (Mr. Pugsley) of

making the same speech so often, I am not going to join issue upon the fact as to whether the hon. gentleman has made that speech often or not, as I can say to the Minister of Marine and Fisheries that, no matter how many times the hon. gentleman has made that speech, the same reply exactly has been made to it by the Minister of Marine and Fisheries. If the short prayer "Those are my sentiments," applies to the one, it equally applies to the other. I am sure I do not find fault with the Minister of Marine for saying that the speech of the hon. member for St. John has been repeated quite a few times. It is a good speech; it is full of meat, and it is important to the people of St. John and of Courtenay Bay. He tells us that very likely the hon. member for St. John will find the words "Courtenay Bay" engraved upon his heart. The Minister of Marine and Fisheries had better take care that he will not find them engraved upon his political tombstone, because this is a very live issue in that part of the country, and the people may take care to point out that this was the finish of a man who had had a very happy career, but who fell at Courtenay Bay because he did not carry out schemes which were of great advantage to the people of the country and here he lies. The Minister of Marine gave us as the reason why they did not go on with shipbuilding in 1911 that the minister of that day thought it proper to consult the Admiralty. I think it was absolutely proper that he should consult the Admiralty in connection with the building of ships, and that the pattern that would be followed by shipbuilders of this country should be as much as possible the same as that followed on the other side.

But I am very glad to be able to quote to the Minister of Marine an authority on that line of action that he will not dispute; that authority will be himself. When he spoke in this House for the first time after the last election, speaking in the same capacity and office in which he is to-day, on the 22nd of November, 1911, he expressed the position in which he and his Government were with regard to consulting the Admiralty. He said:

> I think the people of this country will approve of the action of this Government in hesitating before rushing hastily into a policy which must involve an expenditure of so many million dollars every year. I think they will appreciate the course of this Government in doing what was stated by the Prime Minister in his admirable speech in reply to the right hon. leader of the Opposition, when he said it was the intention of the Government to consider with the English Admiralty this whole naval question from first to last. When we have done that, I think we will be able to come before this House and this country with a policy that will appeal to all Canadians as a policy that will be the best for the people of Canada and the best in the interest of the empire in which we live.

If it was wrong for the Minister of Pub-Works of the Government of Sir Wilfrid Laurier to propose consulting the Admiralty before launching upon a shipbuilding policy, was it right for the Government of the day? I think that it was quite proper in both Governments, but the hon. gentleman cannot now make any criticism against the former Government because we were consulting the Admiralty on this matter when that was also the policy of himself and of the Prime Minister under whom he holds office. I point this out to the minister in order that he may see that he is making a wrong line of criticism in adverting to the delay necessary to consult the Admiralty in the days of the Laurier Government and saying that it was time ill spent and that there was no necessity for it. If the Laurier Government had continued in power they would have followed out the policy which they had enunciated and we would have had a navy of our own; we would have been in the same proud position as Australia in defending not only her own waters but in extending defence to nearly all parts of the world where British interests are concerned. That is the striking difference between the two policies. I would remind the Minister of Marine that the Government has been a long time in getting to work, that from the date of his address, the 22nd of November, 1911, until to-day, they have done nothing, although he then promised that the Government would in a short time bring down a policy that would be absolutely satisfactory to the people of this country, and carry it out.

The minister has been telling us that they worked very hard while they were away. While I was looking at the Minister of Marine and Fisheries and the Minister of Public Works and the Prime Minister yesterday and to-day, and when I heard their remarks about the food that was given to them in England, my mind reverted to the ancient days of the three Hebrew children, Shedrac, Meshac and Abednego, and I am glad indeed that the same result is present in the countenances of our children who went across. Those Hebrew children refused to partake of the fat things from the king's table; they would only take such ordinary food as pulse, etc. They thrived on it and looked fat and wholesome,

and I am glad to see our friends coming back in the same condition. But, after all, I am disposed to think it was a nice holiday they had away, the long trips in the fresh air and the excellent good time which the Minister of Public Works knows so well how to enjoy and to suggest. I think it was rather that than the conduct of the Hebrew children that has brought them back looking so well; and if they are given to work on the other side of the Atlantic, my advice to the country generally would be to keep them there, because our experience with those three gentlemen, except the Prime Minister, is that they do not break their necks working, and if the Minister of Public Works was put to the task to show the great things that he has done since the war began, I am sure he would find some difficulty in pointing out anything conclusive or effective towards carrying on the war. I am sorry that the Minister of Marine and Fisheries is not here; if he were I would point out to him that all I know that he or his department did since the war began was to carry on reckless, partisan extravagance all along the coast from the western boundary of New Brunswick to the frozen zones of Labrador, in putting every little, miserable craft lying rotting on the shore before the war began into active service, and paying for them at the highest prices. I challenge the minister or his department to place in the hands of members of the House a list of the boats, ships, scows and old tug boats that he has forced into the service of his department since the war began, and to tell the House and the country the owners of them, what they have cost the country and what they have been doing. If there is one scandalous thing in connection with this partisan war business from start to finish, it is that phase of the conduct of the department of the Minister of Marine. I intended to tell him that I do not blame him for it in any way, as he does not know; but his partisan agencies throughout the Maritime provinces know all about it, and if he will bring down the return I have suggested, the people of this country will know where millions of the money of this country is going. When we know that this is the extreme partisan way in which every phase of the war is carried forward, you will pardon us if we hesitate before we put the lives of our friends, under the rule of conscription, in the hands of hon. gentlemen opposite who have carried forward everything in connection with the war strictly and absolutely along party lines. If conscription is to come, we trust that it will come in such a way that we will not have the scandalous condition of things that officers will be sent through this country with the Tory brand, with the Tory heart, and the Tory intent, who will take away Grit boys and pass over the others by influences that certainly should not be brought to bear in this country. But when it is meeting us at every point, every turn of the road, in everything that they have touched in connection with this war, what hope have we that they will become righteous and high-minded all at once if this weapon of conscription is put in their hands? We can only judge their future by their past, and their past shows that there is nothing too strong, so far as party lines are concerned, to meet the approval and satisfaction of the members of this present Government.

My particular reason for replying to the Minister of Marine was to point out to him that the criticism he made in respect to shipbuilding and the delays that he alleges were committed and caused by the outgoing Administration, were justified.

I think I should make one more comment in respect to the information that the minister gives us in connection with the criticism made on the wet canteen on the other side. I want to point out to the House and to you, Sir, when the word drunkenness is used, that is no evidence that there is insobriety. I wonder whether the minister ever heard the real definition of drunkenness. A man is drunk when he holds on to the grass for fear that he may fall backwards from the ground. A story is told of a man who was holding on to a telegraph post on the side of the road. He was asked what he was doing there, and he replied, "I am standing here until my old house comes around again." These are the conditions found in men who are drunk. Another story is told of a group of men who were drunk, one of whom called out to Mrs. Brown, whose head was out of the window: "Come down and pick out Mr. Brown; the rest of us want to go home." They were so drunk that they could not tell Mr. Brown from the rest of the men in the group, and they knew that Mrs. Brown would be able to find him. I am not saying that the boys were drunk, but these illustrations supply an indication of what drunkenness is. I heard the speech of the hon. member for Rouville. He simply

read a letter written by an officer of the Crown who is in the army, a man by the name of Captain Goforth, a Canadian officer, and published in a reputable newspaper in the city of Toronto, the Financial Post, the editor and proprietor of which, I understand, is friendly to this Government. The member for Rouville made inquiry as to whether or not it was true that temptation of this kind was put in the way of our boys. It does not follow, because the soldiers are not so beastly drunk that they must be put in jail, that intemperance is not thrown in their way. What we wanted was that temptation should not be put in their way at all. The fathers and mothers will not find fault with us for making inquiry as to whether the stories are true, and for suggesting that if such temptation exists, it should be removed. The Prime Minister told us to-day that one of the resolutions solemnly considered by the conference was that the temptation to which the soldiers are now exposed should be removed. Surely the mothers and fathers of our boys will not find fault with the Prime Minister simply because he, with the other members of the conference, considered that resolution. There are other temptations than drink, but I am sure that the temptation of the wet canteen and the means of becoming intoxicated were really the temptations which they had in view when they passed that resolution. If it was open to that conference to deal with it, I am sure that it was equally open to hon. members of this House to inquire whether anything of that kind was going on and, if so, to ask that it be stopped.

As far as the building of ships, particularly the building of naval ships, is concerned, the position of hon. gentlemen on this side is absolutely clear to the country. It is based upon a firm policy, and we are in the proud position of knowing that if our scheme for shipbuilding had been carried out we would be in infinitely better position than we are to-day. It is clear to my mind that this Government or the Government of any overseas dominion, in order to carry forward a policy that will be satisfactory to the dominions overseas and to Canada in particular, must come down to the policy that was established, maintained and carried forward by the right hon. leader of the Opposition.

Motion agreed to.

[Mr. McKenzie.]

SUPPLY.

The House in Committee of Supply, Mr. Green in the Chair.

Progress reported.

On motion of Hon. Mr. Rogers the House adjourned at 10.53 until Monday, May 21.

Monday, May 21, 1917.

The House met at Three o'clock, the Speaker in the Chair.

EXPENSE OF PARLIAMENTARY SESSIONS.

Sir ROBERT BORDEN moved:

That Messrs. Barnard, Girard, Jameson, Kyte, Marcil, Nickle, Northrup, Pardee and Turriff, be a committee to consider and during the present session, to report to this House the total cost including incidental expenses, of each session of Parliament, and the best way, if any, of reducing the same, with power to send for persons or papers.

He said: This is simply to give effect to the motion which has already been passed.

Motion agreed to.

INSURANCE ACT AMENDMENT.

Mr. W. H. BENNETT (East Simcoe) moved for leave to introduce Bill No. 50, to amend the Insurance Act, 1910.

He said: Mr. Speaker, this Bill is in the same terms as a certain Bill which was introduced by the late Mr. Lancaster, member for Lincoln, three or four years ago. The purport of the Bill is this: Certain insurance companies have coalesced with other insurance companies, not only in Ontario but in other parts of the Dominion, and certain companies which have absorbed smaller companies have introduced terms into their policies which were not consonant with the terms that were in the policies of the companies whose affairs were taken over. That, at least, is the contention of those who are interested in one particular insurance company, the name of which I need not at present mention, as that will develop when the case is under consideration in the committee. In view of the fact that the Minister of Finance also has a Bill on the Order Paper for reference to the Insurance Committee, I would ask that this Bill be allowed to go to that committee, where the whole matter can be further discussed by the parties interested.

Motion agreed to, and Bill read the first time.

QUESTIONS.

(Questions answered orally are indicated by asterisks).

BEAR RIVER POST OFFICE SITE.

Mr. KYTE:

1. What amount has been spent on Post Office site, since purchase by the Government, at Bear River, N.S.?
2. What amount has been spent on said site since March 1, 1916, to May, 1917?
3. What are the names of persons employed and the respective amounts paid to them, and the dates on which they were paid?

Mr. ROGERS:

1 and 2. $500.

3. Contract made with Mr. A. W. Dunn for a lump sum of $500, which was paid him on November 28, 1916. Contract required him to level, sod and fence the lot, also to repair wharf along the river at site.

BEAR RIVER INDIAN AGENTS.

Mr. CARVELL:

1. Who is the Indian Agent of the Indian Reserve at Bear River, N.S.?
2. When was he appointed, at what salary per year, and what are his duties?
3. Has he any authority for disposing of wood, piling and logs, on said Reserve?
4. Has he authority to allow outside persons to cut and take wood off the Reserve?
5. Has any wood been taken off this Reserve in the last five years by any persons other than Indians? If so, by whose authority?
6. Has any work, including repairs, been done to any and all buildings on the Reserve during the last five years?
7. If so, what are the names of all persons who have performed said work, the amounts paid to them, and the dates on which respective amounts were paid?
8. Is the Indian Agent allowed to do carpenter work or any other kind of work on Reserve and charge for same over and above his salary?
9. If so, has the Indian Agent performed any such work?
10. If so, what is the character of said work, dates on which same was performed, and the respective amounts charged?
11. Were any orders given by Agent to Indians during period from October, 1911, to May, 1917?
12. If so, what were the names of Indians, and dates and amounts of said orders?
13. What were the names of Indian doctors on this Reserve from October, 1911, to May, 1917, when were they appointed, and at what salary?
14. If not on salary, what rate of pay did they receive?

Mr. ROCHE:

1. R. A. Harris is the Indian agent.

2. By Order in Council of May 13, 1912; $100 a year; to administer his agency under the direction of the department and in conformity with the law.

3. No.

4. No.

5. Not with the department's knowledge.

6. Yes, repairs to Indians' houses and school.

7. Fred. Schmidt, repairs to Indian houses, $4.50, December 13, 1912. Reginald Benson, repairs to school, $2, September 16, 1913. Wallace Rice, repairs to school, $2, September 16, 1913; Wm. Lent, repairs to school, $1.80; September 16, 1913. Fred. Schmidt, repairs to school, $12, August 24, 1914. A. Marshall, chimney for school, $9, September 21, 1916. Wm. Lent, outbuildings for school, $18.90, January 22, 1917. Wm. Lent, cupboard for school, $4.05, March 12, 1917. Wm. Lent, Indian house, $30, April 6, 1916.

8. No.

9. Not with the knowledge of the department.

10. Answered by 8 and 9.

11. Yes.

12. The Indian agent was authorized by the department to supply the following relief and it is understood that he gave written orders to Indians therefor:—

Names.	Amount.	Date when authorized by Department.
Pictou family	$1 per week during illness	Feb. 1, 1913.
John McEwain	$1 per week during illness	" "
Pictou family	$1.50 per week during illness	Mar. 26, 1913.
Mrs. Madelaine Paul	$1 per week	Nov. 12, 1913.
Mrs. Abram Michael	$1.25 per week	" "
Mrs. John Brooks	$1 per week	" "
Mrs. Matthew Picton	$1 per week	" "
Mrs. James Meuse	$1.25 per week	" "
Mrs. J. Paul	$1 per week while necessary	Dec. 18, 1913.
Mrs. Besey	$1 per week until 1st May, 1914	Dec. 22, 1913.
Abram Charles	" " "	
James Paul	$1 per week during illness	Jan. 30, 1914.
John McEwain	$1 per week during illness of children	Mar. 17, 1914.
Levi Bruce	$1.50 per week for 3 months	" "
Edward Bradford	$1.25 per week during illness	Mar. 28, 1914.

Names.	Amount.	Date when authorized by Department.
Abram Charles	$1 per week until 1st July, 1914	May 8, 1914.
Glode boy	$13.75 for cripple's chair	May 22, 1914.
Mary Phillips	$1 per week	May 26, 1914.
James Paul	$1.50 per week during illness	Nov. 11, 1914.
Matthew Jeremiah	$1 per week	Dec. 24, 1914.
" "	Further allowance of $1.50 per week for an Indian attendant during serious illness	Jan. 16, 1915.
Simon Pictou	$1.50 per week during illness	Feb. 19, 1915.
John McEwain	$1.50 per week until spring	" "
Matthew Jeremiah	$2.50 per week	April 7, 1915
Mrs. Abram Michael	$1.25 per week	Oct. 12, 1915.
Newell Glode	$1.50 per week during winter months	Dec. 6, 1915.
Frank Charles	$1.25 per week during illness	Jan. 18, 1916.
Joseph Fabadam	$1.25 per week during illness	Feb. 10, 1916.
Mrs. Johanna Paul	$2.00 per week during daughter's illness	Nov. 25, 1916.
Mrs. Denis Paul	$1 per week	Dec. 15, 1916.
John Brooks, and wife	$1.50 per week	Mar. 28, 1917.

13.

Names.	Salary.	Appointed.
L. J. Lovitt	$250.00 a year	July 1, 1902.
C. C. Archibald	" "	Jan. 1, 1912.
J. D. Densmore	" "	Jan. 4, 1917.

14. Answered by No. 13.

SMITHS FALLS POSTMASTER.

Mr. CRUISE:

1. Is the Government giving preference to returned soldiers in the appointment of postmasters?

2. Has an application been received from a returned soldier for the position of postmaster at Smiths Falls?

3. Has a recommendation of a returned soldier been made for this vacancy?

4. Is it the intention to appoint a returned soldier to the vacancy at Smiths Falls?

Mr. PATENAUDE:

1. Yes.

2. No.

3. No recommendation has yet been made for this office.

4. Answered by No. 1.

PAYMENTS TO PRATT BROS.

Mr. MARCIL:

1. Have any sums been paid by the Department of Railways and Canals and the Department of Public Works to Alex. Pratt, or to Pratt Brothers, of Matapedia, Quebec, or to both, in each year since 1912, to date?

2. If such sums have been paid, why were they so paid, and were they for purchases, labour or for work under contract?

3. What were the respective amounts in each year for purchases, labour and work under contract?

4. Has Alex. Pratt or Pratt Brothers any contracts at present with the Government?

5. If so, what are they?

[Mr. Roche.]

Mr. PATENAUDE:

1. Yes.

2. Public Works, for lumber supplied. Railways and Canals, for ties, lumber, refund on siding, shims and claim for horse killed.

3. Public Works, 1912-13, $138.10; 1913-14, $261.85; 1915-16, $628.48, for lumber for Matapedia bridge and road. Railways and Canals, 1912, ties, $5,521.69; refund on siding, $128; claim for horse killed, $225; 1913, lumber, 94.02, refund on siding, $139.15; 1914, shims, etc., $13,185.20; 1915, shims, etc., $17,816.58; 1916, shims, etc., $14,637.94; 1917, shims, etc., $5,702.09.

4. Railways and Canals, yes.

5. Railways and Canals, for shims and lumber.

104TH REGIMENT.

Mr. CARVELL:

1. When was authority granted for the recruiting of the 104th Regiment in New Brunswick?

2. Who was the commanding officer thereof?

3. When did the said regiment sail from Canada?

4. How many officers are still in England?

5. How many officers have gone to France?

6. How many of the men are still in England?

7. How many of the men have crossed the Channel?

8. Is the officer who took the regiment overseas still in command thereof, either in England or France? If so, where?

Sir EDWARD KEMP:

1. November 3, 1915.
2. Lt.-Col. G. Fowler.
3. June 28, 1916.
4. 32.
5. 2.
6. 767.
7. 187.
8. No. The 104th and 105th Battalions were amalgamated into 104th Battalion, forming part of Fifth Division. Lt.-Col. Fowler, late commanding officer of 104th Battalion, is now commanding 13th Reserve Battalion at Shorham.

COST OF SENATE HANSARD.

Mr. L. A. LAPOINTE:

1. Does the answer given by the Secretary of State on April 19, referring to the cost of Hansard for the past three years include the Hansard of the Senate?
2. If so, what has been the total cost of the Hansard of the Senate, yearly, for the past three years, as to cost of staff, translation, printing and distribution, respectively?

Mr. PATENAUDE:

1. No.
2.

Service.	1914	1915	1916	Total.
	$ cts.	$ cts.	$ cts.	$ cts.
Reporters (War).	10,000.00 1,000.00	10,000.00	10,000.00	31,000.00
Synoptic reports. (War).	1,170.72 55.00	557.87	1,005.83	2,789.42
Translation . .	4,600.00	4,800.00	5,000.00	14,400.00
Printing.	8,632.43	5,153.25	6,639.37	20,919.29
Special Session	494.24			
				$69,108.71

It is impossible to give the cost of distribution as all Parliamentary papers are distributed from the one office and the exact cost of Hansard cannot be given.

TRANSCONTINENTAL RAILWAY—PORTNEUF CLAIMS.

Mr. DELISLE:

1. How many claims have been made on account of the Transcontinental Railway, for right of way and damages, in the County of Portneuf, between 1911 and the present time?
2. How many have been adjusted?
3. What are the names of the persons whose claims have been paid?
4. What amounts have been paid to each of the said persons?

Mr. COCHRANE:

1. Approximately 76.

2. 26 for lands and damages; 19 for damages.

3 and 4. Edmond Lecuy, $100; Emma Tessier (Widow Casimer Trottier), $300; Frank Blais, $25; Edouard Julien, $200; Mere Marie Helene Blondeau, dite Sœur St. Phileas, Congregation de Notre Dame, $125; Francis X. Perron, $120; Francis X. Piche, $100 and $22.10; Francois X. Dorval (represented by C. J. Lockwell), $1,168.63; Mizael Rochette (represented by C. J. Lockwell), $2,873.14; Samuel Matte (represented by C. J. Lockwell), $1,710.12; Joseph Fancher dit Chateauvert (represented by C. J. Lockwell), $1,396.66; Elzear Rochette (represented by C. J. Lockwell), $1,710.12; Joseph Matte (represented by C. J. Lockwell), $4,112.38; Pierre Dorval (represented by C. J. Lockwell, his attorney), $719.67; Joseph Laperriere, $65; Georges Matte, $50; Damase Dufresne, $100; Thurieff Gauthier, $50; Odlion Marois, $780; Honore Gaboury, $780; Jacques Drolet, $15; Gilbert Gignac, $100; Georges Leboeuf, $800; Phileas Grandbois, $25; Phileas Genest, $25; Vic. Casimir Trottier (born Emma Tessier), $25; Jean Bertrand, Auree Genoron, his wife, Dame Henriette Trottier, Widow Pierre Aime Lefebvre, $28.20 and $2.82; Pierre Paradis, $75; Edmond Soulard, $125; Athanase Delisle, $1,100; J. O. Soulard, $302; Francois X. Richard, $1,500; Nere Gingras, $850; David Noreau, $50; Ulric Angers, $125; Joseph Boisjoli, $75; Felix Lavallee, $125; Emeri Mercure, $600; Madame Exilda Chaille, widow, Hercule Laroche, $2,300; Alfred Martel, $50; Seraphin Papillon, $100; Theophile Fiset, $1,100; Joseph Gingras, $971; Pierre Moisan, $30; Narcisse Perron, $30.

CROSS POINT, WHARF.

Mr. MARCIL:

1. From whom was the timber and lumber, used on the Cross Point, Quebec wharf, purchased since 1912?
2. Were tenders called for?
3. If so, was the contract awarded to the lowest tenderer? If not, why not?
4. Who was the foreman of this work, and how much was he paid in all and per diem?
5. What rate of wages were paid to the labourers employed?
6. What was the total value of such timber and lumber so purchased for this work since 1912?

Mr. ROGERS:

1. In 1912-13: Chaleurs Bay Mills Co., 13,264 feet at $16, $212.22; J. D. Sowerby, 5,352 feet at $16, $85.63.

In 1913-14: James Bryan, 78 spruce logs, 1,215 feet at 6c., $72.90; F. W. Fraser, 27 spruce logs, 525 feet at 6c., $31.50; F. W. Fraser, 124 pieces bal. floor, 1,736 feet at 2c., $34.72; R. Percy Jellett, 117 spruce logs, 2,095 feet at 6c., $125.70; Chaleurs Bay Mills Co., 26,217 feet at $17.50, $458.80; T. R. Bus-

teed, 71 pieces spruce, 2,523 feet at 10c., $252.30; Fred W. Fraser, 78 spruce logs, 1,691 feet at 6c., $101.46.

In 1914-15: Chaleurs Bay Mills Co., 37,196 feet at $18, $688.12; Henry Boudreau, 24 logs, 468 feet at 6c., $28.08; Jellett Bros., 21 logs, 343 feet at 6c., $20.58; Fred W. Fraser, 108 pieces bal. flooring, 2,160 feet at 2c., $43.20; Fred W. Fraser, 107 logs, 2,160 feet at 6c., $129.60; B. C. Babcock, 3 spruce logs, 46 feet at 6c., $2.76; T. R. Busteed, 15 pieces spruce, 10 by 12, 400 feet, at 15c., $60; T. R. Busteed, 1 piece, flat on one side, 18 feet, at 10c., $1.80.

In 1916-17: Chaleurs Bay Mills Co., 11,863 feet at $20, $237.26.

2. No.

3. Answered as above.

4. A. A. Fraser, 4½ days at $5, $22.50; 76¼ days at $3, $228.75.

5. $1.75 and $2 per day.

6. $2,586.63.

RECRUITS ENLISTED IN CANADA.

Mr. SEGUIN:

1. What has been the number of recruits enlisted in Canada since the beginning of the war up to the present date?

2. Does that number comprise the aliens who have left this country to go and enlist under the flag of their own country as they are compelled by their own laws?

3. How many residents of Canada have thus left this country to comply with the military service law of their respective countries, and what nationality are they?

4. What number of soldiers has each of the British Colonies enlisted since the beginning of the war?

5. What is the present effective strength of the British Army, not taking into consideration the colonials?

6. (a) Does obligatory service in England compel the British born in England but residing in the Colonies to go and perform the military service in the British Army, or (b) are they free to enlist or not to enlist in regiments organized in the Colonies?

Sir EDWARD KEMP:

1. Up to April 30, 1917, 411,723.

2. No.

3. This information has already been furnished to the House by the Rt. Hon. the Prime Minister on January 22, 1917, as follows: British reservists in Canada who went overseas, about 2,750; British naval reservists, 1,000; French reservists, 5,000; Russian reservists, 7,500; Italian reservists, 5,000; 21,250.

4 and 5. No information.

6. (a) No. (b) Yes.

WEST EDMONTON GOVERNMENT EMPLOYEES.

Mr. KYTE:

1. How many Fishery Inspectors are employed in the Federal Constituency of West Edmonton?

[Mr. Rogers.]

2. How many employees of the Indian Department are employed in the Federal Constituency of West Edmonton?

Mr. PATENAUDE:

1. There is no inspector for this particular constituency; it is included in the district of the inspector for Northern Alberta. The chief inspector for Alberta and Saskatchewan also has jurisdiction over this constituency.

2. Seven employees in the federal constituency of West Edmonton.

P. A. ROBB.

Mr. MACDONALD:

1. Is P. A. Robb an employee of the Dominion Government in Alberta?

2. If so, where is he employed, and at what salary?

Mr. PATENAUDE:

1. No.

2. Answered by No. 1.

IMMIGRANTS AND MILITARY SERVICE.

Mr. McCRANEY:

1. Have any assurances of exemption from Military Service been given by the Government of Canada to immigrants?

2. If so, what are these assurances?

Mr. ROCHE:

1 and 2. On account of representations made in the United States that immigrants to Canada were likely to be at once drafted for overseas military service, the Minister of the Interior, under date of January 8, 1916, addressed a general letter to the press of the United States, reading in part as follows:

"I, therefore, beg to advise you that all troops from Canada for the war have gone voluntarily; that while the Government has the power to enforce conscription, such action has not been considered either advisable or necessary, and that even were conscription introduced it would apply to Canadian citizens only."

Those from the United States not British subjects nor alien enemies, entering Canada this year in response to the appeal for farm help in the Western Provinces, were furnished upon request with a certificate which stated that while they retained their present citizenship, they would not be called upon for military service. Since the United States entered the war the issue of this certificate has been discontinued, as has all advertising referring to the fact that there is no conscription in Canada. The members of any religious sect, such as the Society of Quakers, Mennonites, Tunkers or Doukhobors, who, on account of their

doctrines of religious belief, are averse to bearing arms, have been given assurance that upon coming to Canada they shall be exempt from military service, in accordance with the existing legislation in this respect.

N.T.R.—FINANCIAL RESULTS OF ITS OPERATION.

Mr. GRAHAM:

In the Quebec Chronicle, dated May 8, 1917, the following statement appears, in reference to the Transcontinental Railway, viz.:—

"The railway has been in operation from Moncton and Quebec to Winnipeg, for over a year, and the return of its first year's operation is just appearing in the Government Blue Book, which shows that the gross earnings have amounted to the handsome sum of $5,798,516, and that a profit has been made in the very first year of $429,455."

1. Is this statement accurate?
2. If not, what is the accurate statement?

Mr. COCHRANE:

1. No. The figures quoted are taken from the Annual Report of Railway Statistics for the year ending June 30, 1916, at page 45. Page 99 of that report shows deductions, and the result for the twelve months is shown therein as a loss of $341,615.51. To this should be added the rental of leased line from Fort William to Superior Junction for twelve months, $600,000, making the total loss $941,615.51.

2. The railway was operating from Moncton through to Winnipeg as from May 1, 1915. Operating expenses, including rental of leased line from Fort William to Superior Junction for twelve months ending 30th April, 1916, were $4,960,434.11, and the net operating revenue $4,083,603.51, the result being a loss of $876,830.60.

HEALS STATION RIFLE RANGE.

Mr. KYTE:

1. Has any land been purchased for a rifle range at Heals Station, Saanich, B.C.?
2. If so, how many acres?
3. From whom was it purchased?
4. What was the price paid?
5. Who was the agent through whom the purchase was made?
6. What was the date of the purchase?

Sir EDWARD KEMP: It is not clear what rifle range area is referred to. If the hon. member will more clearly designate the property referred to the required information will be furnished.

IMPORTS AND EXPORTS OF FOOD PRODUCTS.

Mr. PAQUET:

1. How many pounds of butter did Canada export during the fiscal years 1910-11, 1911-12, 1912-13, 1913-14, 1914-15, 1915-16, and 1916-17?

2. How many pounds of butter were imported into Canada during the same years?

Mr. REID:

1.	Domestic. Lbs.	Foreign. Lbs.
1910-11	3,142,682	58,936
1911-12	8,844,402	72,632
1912-13	828,323	150,724
1913-14	1,228,753	124,122
1914-15	2,724,913	45,411
1915-16	3,441,183	108,419
1916-17	7,990,435	437,619

2.	Lbs.
1910-11	1,227,390
1911-12	3,874,587
1912-13	7,989,269
1913-14	7,317,259
1914-15	6,822,540
1915-16	4,309,831
1916-17	997,335

Mr. PAQUET:

1. How many dozen of eggs have been exported from Canada during the fiscal years 1910-11, 1911-12, 1912-13, 1913-14, 1914-15, 1915-16, and 1916-17?

2. How many dozen eggs were imported into Canada during the same period?

Mr. REID:

1.	Domestic. Doz.	Foreign. Doz.
1910-11	92,164	8,423
1911-12	203,231	10,240
1912-13	147,419	155,410
1913-14	124,002	361,200
1914-15	3,592,899	1,117,130
1915-16	7,898,322	1,596,980
1916-17	5,167,343	5,416,475

2.	Doz.
1910-11	2,378,640
1911-12	7,552,248
1912-13	13,240,111
1913-14	11,274,036
1914-15	4,534,611
1915-16	3,783,952
1916-17	3,038,843

Mr. PAQUET:

1. How many pounds of cheese have been exported from Canada during the fiscal years 1910-11, 1911-12, 1912-13, 1913-14, 1914-15, 1915-16, and 1916-17?

Mr. REID:

1.	Domestic. Lbs.	Foreign. Lbs.
1910-11	181,895,724	251,348
1911-12	163,450,684	1,428,690
1912-13	155,216,392	83,987
1913-14	144,478,340	432,440
1914-15	137,601,661	179,223
1915-16	168,961,583	4,967,177
1916-17	180,733,426	8,779,258

Mr. PAQUET:

1. How many pounds of beef did Canada export during the fiscal years of 1910-11, 1915-16, and 1916-17?
2. How many pounds of pork did Canada export during the same period?
3. How many pounds of bacon did Canada export during the above period?
4. How many hundredweight of wheat, wheat flour, barley, oats and corn did Canada export during the fiscal years 1910-11, 1915-16, and 1916-17?

Mr. REID:

	Domestic.	Foreign.
1.	Lbs.	Lbs.
1910-11	974,411	289,147
1915-16	47,422,564	1,481,001
1916-17	45,546,176	11,707,192
2.	Lbs.	Lbs.
1910-11	417,577	133,571
1915-16	13,142,169	555,692
1916-17	13,987,460	1,170,482
3.	Lbs.	Lbs.
1910-11	56,068,607	913
1915-16	144,918,867	296,826
1916-17	207,213,267	783,051
4. Wheat—	Bushels.	Bushels.
1910-11	45,802,115	3,972,514
1915-16	157,745,469	10,944,986
1916-17	189,643,846	944,290
Wheat Flour—	Barrels.	Barrels.
1910-11	3,049,046	6
1915-16	6,400,214	600
1916-17	7,425,723	nil.
Barley—	Bushels.	Bushels.
1910-11	1,545,253	1
1915-16	5,928,373	nil.
1916-17	9,681,327	111,202
Oats—	Bushels.	Bushels.
1910-11	5,431,662	93,609
1915-16	26,816,322	101,720
1916-17	66,368,832	589,894
Indian Corn—	Bushels.	Bushels.
1910-11	21,517	4,355,412
1915-16	33,943	204,798
1916-17	1,856,942	4,498,867

Mr. PAQUET:

How many tons of hay did Canada export during the fiscal years of 1910-11, 1911-12, 1912-13, 1913-14, 1914-15, 1915-16 and 1916-17?

Mr. REID:

	Domestic.	Foreign.
1.	Tons.	Tons.
1910-11	326,132	10
1911-12	784,864	125
1912-13	394,208	134
1913-14	191,515	75
1914-15	131,875	72
1915-16	255,407	52
1916-17	198,914	1,741

[Mr. J. D. Reid.]

Mr. PAQUET:

How many dozens of eggs did Canada import from the United States during the months of November and December, 1916, and January, February, and March, 1917?

Mr. REID:

	Dozen.
November, 1916	158,283
December, 1916	320,672
January, 1917	254,249
February, 1917	340,025
March, 1917	1,497,720

WAR VETERANS' ASSOCIATION.

Mr. LANCTOT:

1. Has the attention of the Government or the Minister of Militia been called to an article in the Ottawa Citizen and Journal-Press of the 15th of May, concerning officers who go overseas, and containing a report of the convention of the Ontario Branch of the Great War Veterans' Association, held on the 14th of May, in which a resolution on the subject of Commissioned Officers, their duties and responsibilities, etc., was adopted, and which the said Journals commented on at length?
2. If so, is it the intention of the Government or of the Militia Department to give effect to the resolution referred to?

Sir EDWARD KEMP:

1. No.
2. Answered by No. 1.

DENTAL OFFICERS OVERSEAS.

Mr. CARROLL:

How many Dental Officers have been sent overseas since October 27, 1916?

Sir EDWARD KEMP: Ninety-four officers.

CUSTOMS DUTIES ON SILKS.

Mr. LEMIEUX:

1. Is the Minister of Customs aware as to whether or not, since the middle of January, 1917, the Customs Collector of Montreal while not levying any war tax on silk velvets and silk cloths, officially and arbitrarily adds 15 per cent to the value of the invoice?
2. If so, by what authority does he inflate by 15 per cent the stated value?
3. Have any representations protesting against such inflation, if any, been made to the Honourable Minister of Customs?
4. If so, what decision has been given by the Minister in this matter?

Mr. REID:

1, 2, 3, 4. Silk velvets and silk cloths are subject to customs duties on importation into Canada. The additions to the invoice values thereof by the collector of customs or appraisers vary in amount, but are made for the protection of the revenue under the provisions of Section 43, Customs Act, which require the collector, or appraiser, as the case may be, to estimate and appraise the true and fair market value

(any invoice or affidavit thereto to the contrary notwithstanding) of the goods at the time of their exportation to Canada.

The first appraisements are open to appeal, and are usually adjusted by re-appraisement or production of other invoices so that if excess duties have been collected they are refunded.

Claims for refunds of duties on silk velvets and silk cloths have been received from Montreal, and each case is now being investigated in the usual course.

VANCOUVER HARBOUR COMMISSIONERS.

Mr. MACDONALD:

1. What was the amount of debenture bonds issued by the Vancouver Harbour Commissioners during the last fiscal year?
2. What is the total amount of the bonds issued by the Vancouver Harbour Commissioners to date?

Mr. HAZEN:

1. 600 debentures for $500 each, $300,000.
2. The total amount of bonds issued was as stated in answer to No. 1.

INTOXICATING LIQUORS.

Mr. SINCLAIR:

1. Have any prosecutions been brought by the Department of Justice under Section 7 of Chapter 19 of the Acts of 1916, entitled An Act in aid of Provincial Legislation prohibiting or restricting the sale or use of intoxicating liquors?
2. If so, how many?

Mr. DOHERTY:

1. No. By the British North America Act, the administration of justice is committed to the provinces, therefore the enforcement of the Act, save as provided by section 7 thereof, is a matter for the several provincial governments. The attention of the Minister of Justice has not been drawn to any offences of the kind mentioned in said section 7, as prescribed by said section as the condition of action by him.
2. Answered by No. 1.

QUEBEC AND SAGUENAY RAILWAY.

Mr. OLIVER:

1. What is the total length, in miles, of the Quebec and Saguenay Railway, from Ste. Anne de Beaupré eastward?
2. How many miles of rails are now laid east of Ste. Anne de Beaupré?
3. When is it intended to lay rails on the remainder of the line?

Mr. COCHRANE:

1. 65 miles.
2. 13½ miles.
3. As soon as rails can be obtained.

RAILS FOR INTERCOLONIAL RAILWAY.

Mr. OLIVER:

1. Are rails for renewal purposes now required on the Intercolonial Railway?
2. Will the rails so required, in all or in part, be rolled at Sydney or Sault Ste. Marie, under arrangements with the Imperial Munitions Board?

Mr. COCHRANE:

1. Yes.
2. To be rolled at Sydney.

GRANDE PRAIRIE IMMIGRATION HALL.

Mr. OLIVER:

1. From whom does the Department of Interior lease the Immigration Hall at Grande Prairie?
2. What is the rental per month?
3. What is the nature and extent of the accommodation thus made available to immigrants?

Mr. ROCHE:

1. J. O. Patersen.
2. $65.
3. The building is situated on lots 31 and 32, block 4. The floor area is 4,800 square feet.

MATANE HARBOUR LIGHT.

*Mr. LEMIEUX:

1. Has the white light at the entrance of Matane harbour been removed?
2. If so, why, and at whose request?
3. Is the Government aware that at the entrance of Matane harbour there is a sand bank dangerous to navigation?
4. Have nay complaints been received by the Marine Department on this subject?

Mr. HAZEN:

1. Yes.
2. In order to improve facilities for navigation by the construction of a range of lights so situated as to lead through the channel across the bar. The improvement was recommended by the Lighthouse Board of Canada, after the matter had been brought to its attention by Mr. Boulay, M.P., on behalf of mariners trading into Matane.
3. Yes.
4. Yes.

WAR EXPENDITURE IN NEW CARLISLE.

Mr. MARCIL:

1. Have any moneys been paid in the municipality of New Carlisle, Quebec, since the outbreak of hostilities, in connection with war expenditure, not including the amounts paid to soldiers in uniform or to widows or the dependents of enlisted men?
2. If so, what are the names of persons to whom such moneys were paid, and the respective amounts and dates of each payment?

Sir EDWARD KEMP:

1. Yes.

2. Dr. Kenipffea, rent of hall, Dec. 10, 1915 to April 4, 1916..		$ 60 00
Dr. J. E. Michaud, Exam. Recruits, Jan. Feb. and March, 1916..	$74 50	
Dr. J. E. Michaud, Exam. Recruits, April, 1916..	8 00	
		82 50
Dr. W. Maguire, Exam. Recruits, Nov. 15, Dec. 15 and Jan. 1916..	85 00	
Dr. W. Maguire, Exam. Recruits, February, 1916 ..	14 00	
		99 00
		$241 50

CANADIAN EXPEDITIONARY FORCE.

Mr. DEVLIN:

1. Under what conditions did the Imperial Government accept the offer of the Government to send the 1st Canadian Division for Overseas service?

2. What were the terms of enlistment offered by the Government to the volunteers of the Canadian Expeditionary Force as contained in Militia Orders, issued August 17, 1914?

3. What were the actual terms of contract entered into by officers and men of the Canadian Expeditionary Force upon attestation?

4. Under what section of the Army Act or King's Regulations and Orders may officers and men of the Canadian Expeditionary Force be dismissed from the service?

5. Under what authority may officers of the Canadian Expeditionary Force be struck off the strength of the Canadian Expeditionary Force by officers of the Canadian Militia?

Sir EDWARD KEMP:

1. The offer was accepted unconditionally. See return, Sessional Paper 40 (a), pages 41 to 48, documents relative to the European war.

2. Terms as stated in Order mentioned.

3. As regards men—these terms are contained in the attestation paper M.F.W. 23. As regards officers—attestation is not necessary; these terms being in effect on the acceptance of the King's Commission.

4. Section 44 of the Army Act.

5. All officers of the C.E.F. are officers of the active militia, and all units of the C.E.F. have been made temporary corps of the active militia. All officers of the C.E.F. in Canada previous to embarkation are subject to the orders of the Adjutant General, and also those returning to this country for disposal of the Adjutant General.

QUESTION PASSED AS ORDER FOR RETURN.

Mr. DEMERS:

What was the cost of publishing the Blue Books for the years 1911, 1912, 1913, 1914, 1915 and 1916, respectively?

[Mr. Marcil.]

UNOPPOSED MOTION FOR PAPERS.

Mr. BUCHANAN:

For a copy of all correspondence, reports and recommendations, if any, from the Grain Commission to the Department of Trade and Commerce or any other Department of the Government at Ottawa, following a meeting of the Grain Commissioners held in Lethbridge this year.

Mr. OLIVER:

For a return giving the names and salaries of employees of the Interior and Indian Departments, (a) Inside Service and (b) Outside Service, who volunteered for overseas service, and who were paid their full civil salary in addition to their military pay and allowances.

Those who volunteered for overseas service and who were paid a sufficient portion of their civil salary in addition to their military pay and allowances to bring their pay up to the amount of their civil salary.

Those who volunteered for overseas service and who received consideration (stating consideration) on account of their civil employment in addition to their military pay and allowances.

Those who volunteered for overseas service and who do not receive any consideration on account of their civil employment in addition to their military pay and allowances.

Also giving a list of those in said Departments who have been killed, wounded, invalided, prisoners of war, engaged on clerical duties in England and those engaged on clerical duties in Canada, respectively.

Mr. KNOWLES:

For a copy of all reports, letters, telegrams, correspondence and any other papers in connection with the question of locating the 219th Battalion at Regina and Moosejaw respectively, during the winter of 1916-17.

PROSECUTION OF THE WAR.

MOTION BY Mr. CURRIE, M. P.

Mr. J. A. CURRIE (North Simcoe) moved:

That, in the opinion of this House, with a view to increasing the power of the Allies in the prosecution of the war, the Government should enter into immediate consultation with His Majesty's Governments in Great Britain, the other Dominions, India and the Colonies, in order, with their aid, to bring the whole economic strength of the Empire into co-operation with our Allies in a policy directed against the enemy.

He said: Mr. Speaker, this motion, which appears on the Order Paper, has been there for some time. It is almost similar in character to a motion that was passed unanimously by the British House of Commons on January 10 of last year. Since that motion was adopted in the British House of Commons, we have had a number of commissions and boards of inquiry dealing with matters appertaining to the subject which may properly come under the heading of this motion. In Great Britain

we have had the Economic Congress at Paris which discussed matters coming under the heading of this resolution. We have also had Lord Farrington's commission on banking, which dealt with foreign banking. We have had the Royal Commission on Transportation, which dealt with transportation between the colonies and Great Britain, and also between Great Britain and foreign countries. Then we have had the recent commission to Washington, which dealt with matters pertaining to the war. We have had perhaps the most important commission of all the gatherings of imperial commissioners at London recently, a conference in which our own ministers took part; and no doubt we shall shortly have a report from that commission or conference laid before this House. Thus the motion might to some extent be considered superfluous, so far as discussion in this House is concerned, but as long as the war continues matters will continually arise pertaining to this question, and I think it would perhaps be just as well for the House to affirm its position in the matter of the war and our relations to the Allies. In the first place, I think it is advisable that we should affirm our position so far as our own people are concerned, and state to them clearly that this House and this country have a definite economic objective not only during, but after the war, that we intend to do something after the war. The people of this country must not consider that this Parliament is carrying on this war in a lackadaisical way or has neglected to take into consideration question of economics that may arise not only during the war but after it. In the second place, it is important to define our position towards the Allies. The Allies have an economic position as well as a position in the war. We have given them an assurance that we are with them so far as men and munitions are concerned, and we have granted aid in the way of money to assist the Allies in the war. We should define our position to some extent, and say that it is our intention to carry on a vigorous policy to the conclusion of the war, until we have an honourable peace. In the third place, it is as well for us as a House to make it plain that we are prepared to support the men we now have in the field and that this House is with them heart and soul, and is prepared to support them on every occasion. They must know that we have not sent them to the war to waste away and fritter their strength needlessly and without support, but that it is our intention to carry on the war vigorously, to raise further troops, to feed them and clothe them and support them in every possible way.

I should like the House to discuss this question without any partisan spirit. The resolution which appeared on the English order paper was in similar words and was discussed by both sides of that House and passed unanimously. I hope that the same measure of treatment will be accorded to this resolution, because I think that, taking all together, for the past year or year and a half we have had a little bit too much politics in this country. We have been carrying on under a supposed flag of truce, and at the same time carry on Prussian politics—that is shooting from under a white flag. I think it is a great mistake for this country and for the members of this House to take part in any political fights outside of this House or to participate in partisan discussions of any kind when matters are at such a critical stage. It is quite true that until a few months ago the full strength of the enemy was not realized; but anybody who reads the terrible lists of casualties that fill the columns of our papers every day and who remembers the fact that we have lost 25,000 men this year, that one whole division has been wiped out and that there has as yet been no definite issue to the war, must realize that this is no time for carrying on partisan warfare. We should settle down to business and united carry on the business of the country, supporting any measures that may come before the House affecting the war. Unless we win this war the loss to this country will be far greater than to any of the Allies or any of the other nations that are involved in it.

What is the position of Canada so far as this war is concerned? Canada is the only country or the only Dominion that has gone into this war without the hope of receiving anything from it. Let us look at the position of the Allies. Russia expects or expected to derive large acquisitions of territory. She looked forward to the time when she would receive Constantinople, supposed, in the language of Napoleon, to be the heart of the world. It has been the earnest hope of the Russians for centuries that the day would come when the Christian flag would fly over the great Church of St. Sophia and when the Holy Land would be under the dominion, possibly of the Czar, at least of a Christian nation.

Italy expects large accessions of territory, not only in Austria, but in Asia Minor. It

is the hope of Italy that at the conclusion of the war Asia Minor may be part of Italy.

France went into the war, not because she desired war, or to win territory. In the language of one of her greatest statesmen: Better end terror than terror without end. That was the position of France. France also hopes to achieve some gain in the shape of her lost provinces.

Belgium is fighting for Belgium's liberty.

Great Britain is fighting for the integrity of Belgium and for the integrity of treaties.

Then let us take the dominions. South Africa will come out of this war with great provinces, with a vast acquisition of territory, a great empire, virtually stretching from the Cape to the Mediterranean; the better portion of Africa will belong to South Africa, with a great united people. One of the bright spots in this whole war is the magnificent manner in which the South Africans have carried on their campaign against the Germans, and the success which that great colonial general, Smutz, has achieved there.

We next come to Australia. Australia went into the war and has taken part in the war because she was threatened with the German terror as much as Belgium or any portion of Europe. Australia will emerge from this war in the dominating position in Australasia. It will have acquired vast territories, the colonies that formerly belonged to the Germans, and consequently Australia will receive something from the war more substantial than the mere glory of taking part in it.

India will have Mesopotamia, the cradle of the race, a region of great resources. There are areas there that may produce corn and wheat equal to what we have in this country, and great resources in oil and minerals.

Egypt will once more have Palestine. Palestine will again become a portion of Egypt.

So, of all these countries, Canada alone cannot hope for any accession of territory, or anything of that kind. The position of Germany and her allies is such that, so far as we are concerned, we cannot hope for any indemnities, and the only thing we might possibly hope for might be some advantage in trade. That question I shall discuss later on.

First let me speak as to the position of this country after the war. It is told of the Emperor Julian that, on an occasion when he was addressing a large gathering of German chiefs, he accused them of being turbulent and of constantly carrying on war. To his amazement, one of the leading chiefs rose and replied that it was in war that they found their greatest felicity; that war was their greatest pleasure. The Germans have held that theory for more than two thousand years. We did not go into this war simply for the sake of engaging in war. I must confess that some of the public men whom I met abroad seemed to have the impression that all the Canadians wanted was to get into a scrap of some kind; that they were hungry for war, and that nothing could keep them away from it. As one of those who went over with the First Contingent, I can say that all the officers and men that I met had a deep realization of the tremendous responsibility that rested upon Canada. We realized that if England should fall, if the Germans should succeed, Canada would become a German colony—the people of Canada would become a subject race of the Germans. One half of the wealth of the country—of our factories, farms, banks and other businesses—would become the spoil of the enemy. The farmer would have to pay for his farm over again. The merchant would have to pay for his goods over again. We know what the Germans would do. That, Sir, was one of the chief reasons why we entered this war. We entered the war also because we realized that the Germans were endeavouring to subjugate Belgium and the other smaller nations, and we felt that it was our duty, as one of the distinguished portions of the Empire, immediately to take part in this struggle for liberty. It would be a great mistake if the people of Great Britain or the Allies should think for one moment that Canada went into this war simply because it was a turbulent nation and desired to engage in battle.

The opinion is also frequently expressed in the press that Canada entered the war for the sake of getting an Imperial preference. While I am one of those members who are most strongly in favour of an Imperial preference, I contend that it would be a great mistake to give Great Britain or the other overseas dominions the idea that we entered this war in order to get an Imperial preference. Some writers in Great Britain, without any authority, are giving the impression that Canada, having gone into the war, wants an Imperial preference and a change in the constitution. It is a mistake to create that impression, because the heart of the Canadian people is not turned in that direction. Perhaps it would be just as well for us to avoid all these difficult topics during the war. This war

has given a great demonstration of the unity of the Anglo-Saxon people. It has shown that it is not necessary for us to have written constitutions or hard and fast treaties among the various parts of the Empire in order to insure that each part shall do its duty in an emergency. This being the case, it becomes necessary for Canada to consider her economic position after the war.

What shall we face when the war is over? The war has brought great prosperity to certain lines of business. Large sums of money have been expended in the purchase of munitions in Canada. My studies of history do not convince me that it is wrong for a country to prosper during a war. Pitt made war pay; so did Asquith and, more especially, so did Lloyd George. If Lloyd George had not made this war pay, the Germans would have won long ere this. It is a great mistake, therefore, to foster a spirit of contention amongst the people on this point by saying that it is wrong to make profits out of a war. It is wrong to take profits out of the mouths of the widows and the children. It is wrong to raise the prices of food by speculation. But, as far as the carrying on of legitimate business and industry is concerned, it is exceedingly important that our country should prosper. However, we have prospered, and one of the biggest questions that we will have to deal with after the war will be that connected with the demobilization of the troops. Thousands of soldiers will be coming back, many of them men of the highest type—because there is no better man living to-day than the Canadian. The Canadians have demonstrated that in the face of the German army. There may be others just as good as the Canadians; I do not deny that, but there are none better. First, then, there is demobilization; that is one great danger.

The second danger that we confront is the persistent effort of one section of this community to destroy our manufacturing industries. How are you going to provide employment for the returned soldiers after the war is over if you destroy the factories? The Germans are aware that policies of this kind are being propagated in the colonies, and, with a view to carrying on their economic business and other affairs after the war, they had a conference in Vienna a little over a year ago, at which these matters were discussed. They passed a series of resolutions to the effect that they would unite to carry on an economic war as soon as the war of men and guns is over. Perhaps the House will bear with me patiently later on while I read the resolutions that were passed at that conference. Having heard them, we shall realize that if we want cheap boots in Canada, the Austrians will be prepared to supply them to us after the war. If we think our returned soldiers should go bootless, we shall be able to get a large supply of cheap boots from the Germans. I ask this House and the right hon. leader of the Opposition: where are you going to get employment for the men who come back from the war if you close up the factories, crush them down with taxation and obliterate them? Possibly not more than 30 per cent of the returned soldiers will go on the farms. Would it be better for these factories to be in the United States, where you expect such great markets, where they have taxation and where there is a tariff for protection which is fully 20 per cent greater than that which we have here? This is the serious question which gentlemen of this House will have to meet when these men in khaki return.

Mr. KNOWLES: The hon. gentleman suggested that there were people who wished to destroy the factories. May I inquire who it is that desires to destroy the factories?

Mr. CURRIE: The hon. gentleman himself is one of the members of this House who has been crying free trade from start to finish, and free trade means the abolition of our factories. If you destroy the agricultural implement factories, how will these returned soldiers be enabled to return to their business again? Hundreds of the men who were engaged in the agricultural implement factories in Canada have gone to the war—moulders, machinists and men of that description. If these manufacturers are such terrible men and if you are going to have free trade and thus destroy their factories, what are you going to do after the war so far as the returned soldiers are concerned? Are you going to get these men their jobs again? Are you going to leave them to charity? I do not think that policy will receive the endorsement of any one who has the winning of the war at heart and who is a lover of this country.

Mr. TURRIFF: Try it.

Mr. CURRIE: The hon. member will have an opportunity of trying it in the West, and he will find that the returned soldiers will

not afford him very much support. He will have his opportunity; but if he and the hon. member for Red Deer (Mr. Michael Clark), who, I am sorry, is not in his seat, think that a policy of so-called free trade, which they are constantly preaching from platform to platform, and which would mean the destruction of the industries of this country, is a proper policy for Canada they are very much mistaken. Any one who studies the principles of economics knows that taxation, to be just, must fall equally upon every one. The soldier on the march carries a weight of approximately 86 pounds, which is distributed over his person, his knapsack and belts being so placed that he can carry his burden lightly and easily, whereas if the whole weight were put on one shoulder he would not be able to march as much as three miles. I give that as an illustration from one of the economists, and I do not think my hon. friend (Mr. Turriff) has studied economics deeply enough to say what principle of economy it illustrates. If he had he would know where the illustration comes from. The weight must be evenly distributed over the person of the soldier. Although the Manchester School of Economics proclaims free trade, only a very small proportion of the taxes of Great Britain are raised by income tax; a large amount is raised by customs duties, just as we raise taxes in Canada.

Mr. TURRIFF: Oh, no.

Mr. CURRIE: I do not want to waste much time over the figures, but if the hon. member will read the Blue Book he will find out that I am correct.

Mr. TURRIFF: Let us have the figures.

Mr. CURRIE: In the year before the war, the year to which my hon. friend from Red Deer (Mr. Clark) is always appealing as the year in which trade in Great Britain was normal, the amount raised by customs duties in that country was £33,596,645, and by income tax £44,000,000, out of a total of £185,000,000. That shows that the people of Great Britain even then realized that it would be folly to raise all the necessary revenue from one source. There are in this country, the United States and Great Britain a number of economists who say that all revenue should be raised by one form of taxation. The single taxer claims that all revenue should come from a land tax, the free trader says that all revenue should come from an income tax; but it seems to me that the proper method of raising revenue is to tax anything that will pay a tax, so long as such taxation does not interfere with the welfare of the people nor with the industrial life of the country. For that reason I, Conservative and protectionist as I am, see nothing wrong in a tax on income. Hon. gentlemen opposite say that we must do away with all taxation on manufactured goods; but I do not consider that to be a proper policy for this country to follow, and I am told that in the United States when a man talks single tax or free trade, the authorities lock him up in an asylum and procure a divorce for his wife. A few students from the Manchester School of Economics have come from England to this country and have tried to enlighten us on all questions of economics. The Manchester school of thought was in favour of two things—universal peace and universal free trade, and it carried its propaganda to such an extent that when this war broke out there was hardly a single soldier left to fight against the German enemy, because the first seven divisions were a mere nothing in comparison with the army the British people should have had. Had Great Britain adopted the policy of conscription that she has in force now and which we are to put into force in a few days, this war would never have taken place, and I place at the door of the so-called Manchester School of Economics those who are constantly preaching free trade and peace, the deaths, destruction and disasters of this war, because if England and her overseas dominions had been armed as France was armed, with a conscript army ready to strike at a moment's notice, the Germans would not have dared to declare war, at least not during the next fifty years. Therefore, that line of economics is distinctly wrong; it is not recognized any more in good society in England, and it is about time that we heard the last of it here.

The next thing that we shall have to consider after the war will be the policy of this country from an economic standpoint. If we look at the condition of other countries after they have been engaged in great wars, we shall perhaps derive some information as to what we should do. We find that in 1865-66 the United States passed through a very great war and that Germany in the early seventies also passed through a very great war. We find that both these countries when they emerged from a condition of war were saddled with huge debts; and when a country comes through a war with an enormous debt, it must, in order to pay off its war debt, sell as much of its raw material and manufactured goods as it

possibly can and buy as little as possible. That is what happened in Germany and in the United States, and it is exactly what will happen in this country. Both the United States and Germany, when they emerged from those great wars, found themselves with an enthusiastic soldiery ready to take charge of the industries of their respective countries. Both countries emerged triumphant from those wars, and they both had vast resources in the way of raw material, but they had very little ready money, and they found that their raw materials had not been developed. That is exactly what we shall find in this country. No one in this House will deny that at the conclusion of this war we shall have some of the finest men in the world taking part in the affairs of this country, because the returned soldier is always a credit to his country. The American soldiers who returned from the Civil War became the leaders of the United States, and out of a wilderness they produced one of the greatest countries in the world. We in Canada expect that our returned soldiers will play an important part in the development of this country, and I do not think any hon. gentlemen opposite will deny that after the war we shall have men capable of taking charge of the affairs of the Dominion. We shall have everything in the way of raw material such as minerals, land, fisheries and forests, to develop our country, just as Germany and the United States had. We should adopt the same line of policy as the United States and Germany after their great wars.

What to do after the war has been a fruitful subject for economists, and they have studied it deeply. A pamphlet has recently been issued by a merchant in London, a Frenchman named M. LePersonne, in which he clearly shows how Germany carried on her policy so successfully after the Franco-Prussian war. As some hon. members may not have seen this pamphlet, it may not be amiss for me to quote a few lines of it. He says that after the Franco-Prussian war Germany made use of legitimate means, which he summarized as follows:

> She worked out with great care and attention and applied with continuity her protectionist tariff.

That is exactly what the United States did after the war of 1866. He goes on:

> She devised various means to encourage the output and to favour the exportation of her manufactures.

That is what we shall have to do in this country if we are not going into bankruptcy, if we do not wish to repudiate our debts. He says further:

> She utilized unceasingly her excellent system of education as well as her various agricultural, industrial, commercial and technical institutions in order to equip her people, each one in his sphere, with the necessary knowledge to render to his country the most useful and the most valuable services.

I think that applies to Canada just as much as it applied to Germany after their war, and to the United States after their great war. He goes on:

> She **maintained the ancient** custom of apprenticeship in the workshops and professions.
> Her protectionist tariff enabled her:—
> (a) to limit her imports to a strict minimum;
> (b) to give her undertakings full opportunity to establish themselves securely;
> (c) to provide permanent employment for her population.

That is the manner in which Germany carried on her business, and if there is any country in the world outside of the United States from which we should take a lesson in the development of our industries it is Germany. She carried on a protective policy and established bureaux. Germany is more bureaucratic than the United States, and was consequently better able to handle its business affairs than is the United States, where there is greater liberty. But no one will deny that the United States carried on its business under cover of a protective tariff, and no one complained because during the period of expansion the factories of the United States had to be duplicated every third or fourth year. In the biography of Mr. Carnegie it is pointed out that during the period of expansion the factories of the United States annual profit on industry was over 33 per cent, and this was re-invested in the industries. It was from these great profits that the United States obtained the great and wonderful workshops that she has to-day. The United States has not become a free trade country; they do not want free trade as they have it in England. To them, the leading protectionist country the Allies had to come finally for the money to continue the war. They are still carrying on their business just the same as ever. There may have been some slight modifications in their tariff, as there will be from time to time in this country. I do not think there is a protectionist in Canada to-day who is not prepared to make changes in the tariff when it is necessary. When we are con-

stantly producing a surplus in various lines we must find a market for it, and if it is necesary to modify the tariff in order to get that market, as in the case of free wheat, then it is good policy to modify the tariff.

Mr. W. E. KNOWLES (Moosejaw): Mr. Speaker, I rise to a point of order. I regret to interrupt my hon. friend, but this is the last day for private members' business. I appeal to you, Sir, whether the observations which the hon. member is making are relevant to the discussion of the motion which has been placed in your hands. The motion is to this effect:

That, in the opinion of this House, with a view to increasing the power of the Allies in the prosecution of the war, the Government should enter into immediate consultation with His Majesty's Governments in Great Britain, the other Dominions, India and the Colonies.

I submit that a discussion of such an academic question as free wheat versus protection, which concerns our domestic business entirely, does not properly come within the purview of discussion of the resolution I have just read. My hon. friend's remarks in support of the resolution should be confined to arguments which are relevant to the subject.

Mr. J. A. CURRIE: The resolution deals with the development of the economic strength of the Allies, and perhaps I am discussing that a little too strongly for my hon. friend.

Mr. KNOWLES: The point of order should be discussed without personal references. For the hon. member to refer to how I receive his remarks is quite out of order. That is a second point of order, I think.

The DEPUTY SPEAKER: I think the hon. member should be allowed considerable latitude in discussing an economic question of this kind.

Mr. TURRIFF: Go on with your partisan speech.

Mr. J. A. CURRIE: I have not filled Hansard up this session with speeches like the hon. member for Assiniboia (Mr. Turriff) has done. I shall endeavour to curtail my remarks to the subject of the resolution, and if hon. gentlemen object that I am wandering slightly afield I think it will be rather because I am treading a little too hard on their corns. I think it is extremely important for this country to discuss its economic position both now and after the war. Unless we consider now what our economic position will be after the war, when hon. gentlemen opposite come into power, as they expect to do, what will they find? Will they find this country in bankruptcy, a broken country without business or population? That is apparently the doctrine that some hon. gentlemen opposite have been preaching. I have been endeavouring to show that the policy which has been adopted by the Conservative party since 1878 is the proper economic policy for this country. I think under that policy we shall be able to build up and make our country great after the war. If we want to get population into this country, it is just as important for us to get industrial workers as it is to get farmers. We must work out our own salvation. I am not one of those who are constantly looking for handouts from the United States or some other country. This country should be independent and carry on its business affairs with a view to the future regardless entirely of what any other country may do. Sir John A. Macdonald, one of the great leaders in this country, laid it down distinctly as part of his policy that he would let no other country interfere with the economic policy of Canada, and not so very many years ago the Canadian people endorsed that principle as the right hon. leader of the Opposition knows.

Sir WILFRID LAURIER: No, no.

Mr. J. A. CURRIE: The people in 1911 said they were not going to allow this country to be tangled up with the economic policy of any other country. Sad to say, that is when the right hon. gentleman failed. If we are to develop our full economic strength, not only during the war but after the war, we must carry on the same line of policy that we are now carrying on. That is the policy that has made a great industrial Germany; it is the same policy as that which has made the United States such a great country.

What, then, are we to do? We have here great resources. One thing that is fundamentally necessary is that we should encourage agriculture. Agriculture is one of our basic industries. It has been treated too much as an accident, and not as a technical trade. Any man is supposed to be good enough to be a farmer. We laugh and sneer at the Huns, the terrible Huns. But Hungary is far ahead of this country in its agricultural progress. There is not one of these central states of Europe, with which we are at war, but has a great system of agricultural colleges and high schools. Hun-

gary, for instance, has thirty-five agricultural high schools. Our agricultural development must be directed along the same lines. At present it costs us far too much to produce the things that are sold from our farms. We must develop our agriculture on technical lines.

We must develop our mines. We know that we have vast mineral resources, but what they are we are only discovering from day to day. After the war we should have thousands of men employed in our mines, not only our gold and silver mines, but our great coal-fields of the West. There are enormous coal areas in Alberta into which a pick has never been struck, as well as great areas of iron. I have no doubt that there are men now within the sound of my voice who will live to see Edmonton the Pittsburg of this country. At present, none of these mines are developed. Why should we go on simply growing and shipping wheat and pay so little attention to our mines? We must have population; we must have a mixed population; and in order to give employment to all classes we must have various industries developed.

Then, consider our forests. We have vast areas suitable for the production of pulp, and the pulp industry has received a great impetus within the last few years. At the time when the war broke out, Germany controlled almost entirely the printing and lithographing trade of Europe. Many thousands of people were employed in those trades—in one city no less than 15,000 people gained their livelihood in these industries. If Canada can produce paper more cheaply than any other country, why should we not become the centre of the lithographing and printing industries of the world? I am sure that every member of this House would gladly see such a state of affairs

4 p.m. brought about, but you cannot do that if you discourage our manufacturing industries. It is too much the habit of some people to find fault with our manufacturers. Take, for instance, our textile industries. They were starved for years because there was always a politician to raise a yell whenever somebody thought the woollen factories were making too much money. We have not developed the sheep industry and the production of wool as we ought to have done, and just for the same reason. Politics have been the curse of this country in many cases—

Sir WILFRID LAURIER: Hear, hear.

Mr. CURRIE: —and the right hon. gentleman (Sir Wilfrid Laurier) knows that to be the case. If he had his own way there are many things he would not stand for that he does stand for now, many policies that his followers promote, which, if he expressed his own ideas, he would oppose.

Our fisheries offer great opportunities. They have not been developed as the fisheries have been developed in Great Britain. With the coming of the trawler the development of our fisheries will mean many millions added to the wealth of this country, and a great population carrying on this industry.

It is not necessary for me to go through the whole list of our industries. But there is one thing most important of all, which must not be forgotten, and that is our foreign trade. Only a few months before the United States entered the war—and I am sure we all welcome the accession of the United States in this war, as bringing about once more a great Anglo-Saxon union—an economic conference was held by the manufacturers of that country. I take the trade papers, and had the pleasure of reading the discussions of that conference. It was pointed out that it would be the duty of the United States, after the war, to organize their industries for the carrying on of a more extensive foreign trade than that which they now enjoy. The expansion of the United States up to this time has been such as to absorb almost entirely the manufactures of that country. But they look forward to supplying foreign countries after the war is over. The manufacturers of the United States made a careful inquiry into the question how they could carry on business with various foreign countries—how they could extend their trade with South America, how they could increase their dealings with Russia, and so on. They discovered that if they were to compete with the Central European powers in this trade, one thing the country would have to do would be to organize foreign banking so that they could afford the long-term credits that these countries require. They found also that it would be necessary to obliterate some of the legislation that had been placed on their statute books with reference to trusts, because the manufacturers in allied industries would have to combine for the purposes of foreign trade. They found also that it would be necessary to follow the example of the Germans in pooling freights, so as to put the manufacturers in different centres upon an equal footing in relation to foreign business. In Germany manufacturers before the war, were given the same advantage in freights

whether their goods were produced in Dresden or in Hamburg. The railways and steamers absorbed the difference. What does that mean for us? It means that before the war ends our manufacturers must get together, and the country must co-operate with them, in order that means may be devised whereby our banking system will be extended to those foreign countries in which we hope to find markets. It means also that our manufacturers must be prepared to form unions, or committees, or commissions, to promote the sale of their products in foreign countries. And, if we are going to take over our railways—and we shall take them over or do something else with them—such arrangements must be made that the manufacturer at Winnipeg will have the same advantage in relation to foreign trade as the manufacturer at Toronto or Montreal. Then we shall be able to have great cities in these vast agricultural areas of the West, and the country will grow as it should. Otherwise, manufacturing in the West will be impossible, and the result will be disastrous to the country. Our industries will not grow as they should, and we shall not be able to pay off the great public debt we are taking on our shoulders.

Another thing to be dealt with is shipbuilding and our navigation laws. Shipbuilding is a problem that should receive our most earnest attention. Japan, for instance, by adopting a forward policy in shipbuilding and in shipping, succeeded in a few years in capturing all the Oriental trade. They built their ships and were able to take the trade from Great Britain, from the United States, and even from Germany, so far as the Pacific is concerned. The present moment is a very critical one for this country. We must endeavour to stimulate shipbuilding, including wooden shipbuilding. A wooden ship will last for fifteen years. There is still plenty of timber in Canada. It is a great pleasure to me to know that the Minister of Finance (Sir Thomas White) has seen fit to hand over money to the Imperial Munitions Board for the building of ships in Canada. What is more, I hope that some laws may before long be passed, such as the old navigation laws of England. They are quoting the navigation laws of Cromwell in the British House of Commons, and the navigation laws of Cromwell are to the effect that British goods must be carried in British bottoms. We should adopt some such system, because if we do we will strengthen our trade and shipping, and we will be able to compete in the markets of the world with our surplus products. The sale of our surplus products and the increase of our foreign commerce will bring to the treasury of this country vast resources, and enable us to carry the burdens of the war very lightly.

The next subject I wish to discuss is the question of the returned soldier. The returned soldier will come back here filled with high hopes and courage, and he will be prepared to write the name of Canada commercially and industrially on the banners of the world just the same as he has done while fighting on the field of battle. It will be a great mistake for this House to continue idle discussion on economic topics or to consider proposals that will have the effect of thwarting the ambitions of these men upon their return home. They are the next generation, and in their hands will be placed the work of building up Canada. I am sure that there will be many hearty laughs when they read some of the speeches that have been delivered in this House during the war. Their eyes are opened. They realize what internationalism means to the world at large and particularly to their own country, and no doubt after the war is over we are going to have some form of union or of alliance between the nations which will be of some benefit to Canada.

Sir WILFRID LAURIER: With the United States also?

Mr. CURRIE: I propose to speak frankly to the House. I have discussed this question so far without taking up the question of the Imperial preference at all, because I feel that, possibly, the United States having once more become one of the great English-speaking nations, if any special favour were given to Canada that were not given to the United States, it might give offence. Hide-bound protectionist as I am, I would not be one of those who would say that it would be wrong for the United States to get an Imperial preference along with the British colonies. We are the same people, speaking the same language, and I think it is the brightest feature of the statesmanship of to-day that it can change its mind. The great men of to-day in the Old World, the men who are doing things, like Lloyd George, are the men who are changing their minds. A politician, or a man who has anything to do with political affairs, who sticks constantly to one line of thought, is not

the man who is cutting any figure in the world's history at the present time. The greatest men in England have cast aside the question of free trade. They have realized the necessity for a change. This world will not be the same again after the war, and if we receive an Imperial preference as one of the dominions of the Empire, and if the United States is desirous of coming in, there must be reciprocal advantages which we must all derive and it will not be wrong.

But, with reference to preferential tariff arrangements amongst the Allies, there is a great deal of alarm amongst some so-called economists as to what is going to happen with regard to this question. It is all very simple. A four-column tariff is proposed by the Allies in opposition to the German proposals. The nature of the German proposals, as given expression to at their meeting in Vienna, is indicated clearly by this paper which I have here:

A secret conference of delegates of the Central European Economic Associations was held recently in Vienna, at which detailed proposals were formulated with reference to the questions of German, Austrian and Hungarian economic union. Under the leadership of the three presidents of the associations—Duke Ernst Gunther zu Schleswig-Holstein, Baron Plener, ex-Finance Minister, and Herr Wekerle, ex-President of the Council of Ministers, and with the participation of the prominent agricultural, industrial and commercial representatives of the three States, the following resolutions were passed:—

1. Prior to peace negotiations being entered upon, the foundations are to be laid for the most comprehensive economic rapprochement between the German Empire and the two States of the Austro-Hungarian Monarchy.

2. This economic rapprochement is to be brought about on the basis of reciprocal preferential treatment and must embrace as far as possible all aspects of economic life. Thus it is not only the unification of the customs system which is to come into consideration, but also the improvement and development of a reciprocal system of trade and traffic in the widest sense of the word.

3. The basis of the customs part of the political reciprocal preferential treatment is to be—subject to full preservation of necessary protection of home production, including in exceptional cases even the raising of particular customs duties—that side by side with the reciprocally granted customs concessions, the free list of the customs tariffs is to be extended as much as possible and a periodic revision of the customs duties operative in the reciprocal trade undertaken, actuated by the spirit of rapprochement. Endeavours are likewise to be made to devise a unified customs tariff scheme and classification of commodities, as also customs administrative legislation which shall be as uniform as possible.

4. It is to be a condition precedent of the customs political preferential treatment that—particularly in the treaties of peace—the principle shall hold that such preferential treatment shall not be accorded to other States on the basis of most-favoured-nation treatment.

5. Commercial treaty negotiations with other States are to be carried out by the Allied Empires, subject to the preservation of their commercial political sovereign rights, in agreement with one another, and with mutual support and simultaneously; such treaties, too, being concluded simultaneously.

6. All measures of a legislative or administrative technical character which appear necessary for the development of the production, trade, communication, and financial economy of their countries are to be carried out in the free economic territories with expedition in the sense of rapprochement and unification.

7. The arrangements of the Allied Empires which eventuate in the sense of these proposals are to be made for a period which shall considerably exceed the duration hitherto customary for commercial treaties.

That is what they decided upon at Vienna. As far as the Allies are concerned, the proposal has been made and it is considered almost virtually as an established principle, that there shall be a four-column tariff. Many people ask: How is a four-column tariff to be applied? Let me give an example. First, there will be a general tariff, which will apply to neutrals and to everybody. While that general tariff will apply to neutrals and to everybody, there will be a reduction of, say, 10 or 15 per cent in favour of the Allied nations. Then, between the British Colonies and the Empire there will be an Imperial preference of say, 33 per cent. That gives us three rungs of the ladder. The fourth rung will be a surtax of 25 per cent against Germany and the Central Powers. That is how it can be carried out, and it is very easy to carry it out. As far as Canada is concerned, it will be very easy, because we are accustomed to preferential treatment as between this country and Great Britain. There is no great disadvantage, but, on the other hand, there is a great advantage, because, when we go into an alliance of that kind, our raw materials, such as grain and the products of grain, will cut a large figure. If any man will take the trouble to study the economic questions and results consequent upon such an alliance he will ascertain that the Allies, as constituted at the present time, contain within themselves all the elements that contribute to economic greatness. We are in a position to supply ourselves with all the grain that is necessary to meet the requirements of our peoples, and we will have 70,000,000 or 80,000,000 bushels to export to other countries, which will all work out to our advantage.

As a manufacturer, I realize the great advantage it is to the manufacturers of this country who are not making munitions to be able to export material to the four cor-

ners of the globe. I am one of those manufacturers, because I am interested in a factory whose products are going into South America, South Africa, and other countries where German goods at a former period supplied the demand.

It has proved a very profitable business. We are not alone in the enjoyment of that business; it is enjoyed also by the other manufacturers in this country. We enjoy that, and have had a taste of what foreign commerce means, and you have no idea what a great advantage it is in a factory to have an opportunity of disposing of surplus goods in a foreign country, instead of having to throw them on the markets of this country at reduced prices. It is a tremendous advantage, and it would be a tremendous advantage after the war if the manufacturers of Canada would take the place of Germany. Canadians are exceptionally able as factory employees; they are bright, intelligent, and become first class workmen, and Canada should be able to carry on foreign trade as well as Germany, the United States or any other nation. She should be able to carry it on better than the United States. We have a great advantage in cheap power; the white coal of Quebec and Ontario and the Maritime provinces is cheaper than coal, and enables small industries to be carried on in small buildings, upstairs, and in various places, in cities, towns and villages where formerly it was impossible to do any manufacturing without the installation of great steam plants. This will give us a great advantage, and if we get the advantage of a tariff from the Allies which will enable us to displace Germany in many manufactures, the burden of taking care of returned soldiers, so far as this country is concerned, will be very light, and the country will go ahead by leaps and bounds. I look forward to the period of the return of our soldiers with a great deal of anxiety. I think that we in this House should make it known to the people of Canada and to those who are likely to invest money in Canada, that, when the war is over, business will go on at the old stand in Canada, that the policy of destroying industry will not receive the endorsement, for instance, of the right hon. leader of the Opposition. It never did—

Sir WILFRID LAURIER: Never.

Mr. CURRIE: Because he was always a good sound protectionist, in spite of the few free traders behind him. And it was to his credit because, after all, any one familiar with conditions in this country, must know that we cannot all be farmers or tradesmen or lumbermen; somebody must carry on the manufactures of this country, and it is from the manufacturers of Canada and the skill of its workmen and textile workers that our future glory and greatness must come.

As one of the Canadians who did a little bit, perhaps, in the war and who has at heart the feelings of those men who are gallantly fighting for us at the front, I feel that the only hope for them is for Canada to adopt such a policy. You cannot expect all of our soldiers to come back and go on the farms. Many of them will be minus a leg or an arm, but they can still go into a factory and work as well as if they were whole in body and limb. But it would not be possible under any conditions for more than 40 per cent or 50 per cent of them to go on the farm. It is essential that we should get behind them with the resources of the country. I am a great believer in the German system of state socialism, and I believe that we must develop a similar system; that we must have something to correspond particularly with their great system of rural credit banks, supplementing, not competing with, our present banking system. It is the rural credit banks of Germany, of Austria and of Hungary that are enabling the Central Powers to carry on the war to-day. The farmers of Germany, of Austria and of Hungary are buying the war bonds of those countries, and it is from them that the Central Powers have derived their financial strength and have been able to carry on the war. That is the great source of their economic strength.

I have no desire to enter into any lengthy discussion of the position of those gallant men who are fighting at the front, but I wish to say that I feel that this House is behind them at the present moment and that the people of this country are behind them. It is only a few days since it was announced that we are to have some form of conscription in Canada. The Canadians at the front have had anxious moments. They have covered themselves with glory because, let me inform you, the battle of Vimy Ridge was a far greater battle, to my mind, and more decisive in the history of the world, than the battle of Waterloo. These men have covered themselves with glory; they have been decimated again and again, and it is necessary that we in Canada should keep up their strength.

I have always been a believer in a system of conscription, or as I like to call it universal national service—I hate the word "conscript" because I do not think it represents the proper feeling that should be in the bosom of everybody desirous of defending his country. The old Militia Act provided for a system of conscription. The right hon. leader of the Opposition in 1904 inserted a clause in the Militia Act which enabled the soldiers, the militia men of this country, to be sent abroad for the defence of Canada as well as for service at home. The right hon. gentleman shakes his head; does he deny that? Yes? Well, I have no desire to discuss it, but section 69 of the Militia Act of 1902 was amended so that it now reads:

> The Governor in Council may place the Militia, or any part thereof, on active service anywhere in Canada—

and these are the words added in 1904:

> —and also beyond Canada, for the defence thereof, at any time when it appears advisable to do so by reason of emergency.

Is that not correct? That means that the Governor General in Council at any moment when there is a war or invasion can declare that there is an emergency and call for a levy en masse of all the manhood of this country capable of bearing arms. That clause was put there because at the time of the South African war it was found that the Act did not permit a man to be called out under the Militia Act and sent to fight in South Africa. When the present war broke out, Canada was the only country in the Empire that had a conscription law on the statute book. I have read the clause, and if it is anything else than conscription I do not know what the English language means. The other countries of the Empire had what they called the old Militia Act, which permitted a man to be called out for home defence only. The territorial law in England permitted a man to be called out only for home defence. The Australian law permitted a man to be called out only for the defence of Australia at home within her own borders. Premier Hughes had to put the question to the people whether they would have conscription or not.

Mr. TURRIFF: A very good plan.

Mr. CURRIE: A very good plan, but it is not in accordance with the principles of British Parliamentary government because prerogative rests with the Parliament, not with the people, as was shown by the decision in British Columbia. Or if my hon. friend will read Walter Bagehot, who has studied the question fully, he will find that it is different from the American system under which prerogative comes from the people up.

Mr. TURRIFF: If the Militia Act confers on the Government full authority to raise men by conscription, why has not the Government, of which my hon. friend is such a valiant supporter, put it into force?

Mr. CURRIE: I am not the Government and I do not understand why, because, so far as I am concerned as a member of the House, when I served in France I understood that I was serving under the Militia Act and I thought I was a militiaman and one of the members of the militia of Canada. Only when I returned home to Canada did I find that the overseas force fighting to-day was not raised under the Militia Act, but under the Defence of the Realm Act, or the Act that was passed when the war broke out. Further—I wish to speak frankly—it is a matter of considerable pain to those who are engaged in the war to know that they are not a part of the militia of Canada. Officers who served overseas were notified that when the war ended and they returned to Canada, their rank would not be recognized under the Militia Act. The Order in Council which brought the Canadian Expeditionary Force into existence will be done away with simply by the passing of another Order in Council. I do not know why the Militia Act was not applied, unless because of the feelings of some hon. gentlemen opposite. I do not understand why the Militia Act was not invoked in the first instance. The matter rested entirely in the hands of the late Minister of Militia. All the requirements set forth in the Militia Act were present. The war was on; the militia was mobilized for war purposes; Parliament was called within ten days after the mobilization of the militia—but, strange to say, the Militia Act was not enforced. I do not wish to express any opinion in the matter; the fewer organizations we have in Canada dealing with military matters the better. I am sure that one army is enough for any country; in Canada we have several such organizations and, unfortunately, the most bitter enmity exists amongst some of them. The Expeditionary Force and the Permanent Force are not on the best of terms. For instance, a colonel who is fighting to-day in the trenches is getting $6 a day, while a colonel who has

stayed at home, who has not even crossed the water, is drawing between $15 and $20. You can see, therefore, that anomalies have arisen by the non-enforcement of the law. The law as it stands now is all right. It provides for the organization of the troops, their enrollment, their being sent abroad.

It would be a disastrous thing for this country if we were to spend the summer discussing this Militia Act or the proposed conscription Bill. Whatever comes, let us support it, because the men at the front require support and assistance. To discuss this question at great length would, to my mind, be disastrous and a disgrace to the people who have sent such a magnificent army to the front. These men have distinguished themselves and are distinguishing themselves every day. It would be a great shame if their stars should be thrown into the sea as they came across, or into the waste-paper basket when they came home, and they were accorded no military recognition. Some amendment to the Act may be necessary before conscription can be fully carried out. But, instead of calling it conscription, let us call it universal national service. It would be disastrous in the extreme if the legislation enacted were such as to give ground for the opinion that the poor would have to serve, whereas the rich would escape, or that one part of the country would have to serve while another part would escape. Selective conscription was adopted in Great Britain because they wanted to omit Ireland from the scope of the legislation. I am sure that no part of this country wishes to escape its duty in connection with this war. Some people are mean enough to make insinuations about our good friends on the east side of the Ottawa river. I know differently, for I have seen them serve. The history of the French-Canadian people is such that they can very well be proud of it. They were not in any sense a conquered race when Canada was taken over. The French-Canadian militia never lowered its flag. When Canada was taken over the French-Canadian militia marched out of all the fortresses and positions with the full honours of war. They were fighting men, and, to my mind, their descendants are as brave, as national, and as strong for the Empire as the men of that day were.

Mr. SPEAKER: Order. I would remind the hon. member that he is wandering somewhat far afield. I would ask him to confine his remarks more closely to the subject of the resolution.

[Mr. Currie.]

Mr. CURRIE: Perhaps I am out of order in dealing with questions that will come up in the House later. However, I think this House should adopt a resolution showing the Allies that we are still steadfast in the war, showing our brave soldiers that we are still steadfast and that we are not going to desert them and leave them without reserves during such times of emergency as they went through on several occasions this year.

Right Hon. Sir GEORGE FOSTER (Minister of Trade and Commerce): Mr. Speaker, I do not intend to speak at length on this question which has been so well discussed by my hon. friend (Mr. Currie). He has certainly taken advantage of the liberty that was given him by the Deputy Speaker to make his discussion of the matter fairly broad. I felt a little sorry that the Speaker, who sits in the Chair now, drew the circle a little closer because I am afraid it had the effect of cutting off the latter part of my hon. friend's speech. I am certain that the House must be deeply indebted to him for the wide field he has covered and for the arguments he has adduced.

The proposition which my hon. friend sets forth appeals, of course, to all of us. It is a matter in respect of which, as my hon. friend knows, a great deal has already been done by the Dominion Government, by the British Government, and by the Allies, in the way of preliminary investigations, conferences, discussions, arguments, and to a certain extent, acts. The economic conference which met in Paris last June was one of the developments of the feeling which had taken deep root in the minds of the Allies that certain considerations outside of the struggle for political hegemony were involved in the world wide contest; that beneath it and along with it there was an economic aspect. The conference, which was attended by the representatives of all the Allied countries, with the exception, I think, of Montenegro, devoted a week to the general discussion of the subject, came to certain conclusions which were immediately put into operation and came to an agreement upon certain principles which should be applied during the period of reconstruction, as well as during the time after the reconstruction period shall have passed and what might be called the permanent period of peace shall have been entered into. The action which had been taken by the Allies in respect of trade treatment of the enemy during the war was about

parallel to the course of action which was approved by the economic conference. Trade with the enemy, of course, is forbidden, and we are to take advantage of every reasonable means of curtailing the enemy's trade expansion in every respect, and to push to the very utmost limit, consistent with fair treatment of neutral countries, the blockade which should restrict, restrain, and gradually diminish the power of the common enemy. The principle was also laid down that in the war, naval military, and economic, the Allies should in every possible way co-operate with each other, making common issues and, if necessary, even sacrificing in some respects individual preferences and even individual benefits if in that way the general Allied cause were made stronger as against the common enemy. Various methods were suggested for such co-operation. Great Britain, as being the greatest owner and director of mercantile transport has, in connection with the transport business of the world, carried out this principle of co-operation and help, even to the point of self-denial of her own purely economic or commercial interests. In financial matters the Allies have co-operated with each other, the strong aiding the weak, the weak taking advantage of the strong arm of the strong, each bearing the other's burdens. No definite length of time was set for the duration of the era of reconstruction—it might be two years, three years, or more—but with reference to what should take place in the war of economic and commercial treatment during that period, there was reached an agreement which has been ratified by the Allied nations. That agreement was on this general basic principle: you protect your people with your arms, and with your blood and with sacrifices when you are in war; when war ceases, then you are to help each other in the work of reconstruction. The same principle of co-operation during the reconstruction period was affirmed in the resolutions of the Economic Conference, that is, that the strong was to aid the weak, and that the different resources, economic and otherwise, of the Allies as a whole, should be directed, not each one for its own special selfish benefit, but all for the general up-building and reconstruction of the Allied peoples who have borne their part of the war and many of whom have been very severely harmed and damaged by the actual course of the war.

Sir WILFRID LAURIER: Did that principle imply no commercial intercourse with the nations which at this moment are our enemies? I may remind my right hon. friend that the action of the Paris Conference was interpreted by the German Chancellor as implying enmity even after war, and he used it largely in order to prolong the war.

Sir GEORGE FOSTER: The interpretations of the German Chancellor are generally made with a view to strengthening the German cause with his own people, and I have no doubt he used that interpretation to the utmost limit. But if the Allied nations were at any time during the war to base their conduct upon possible interpretations of the German Chancellor, they would be reduced to inanity and weakness. What the Allied nations did do was to discuss the questions and come to conclusions as to what would be best for the Allied nations as a whole; and if the German Chancellor, in his appeals to his own people, chose to make capital out of their action, that was not the fault of the Allied nations, and they would have to take that disadvantage for the sake of the advantage on the other side.

Mr. MARCIL: In that Paris Conference, was any provision made for any new nation that was not at that time in the war, but that might become an ally—the United States is a case in point?

Sir GEORGE FOSTER: No provisions were made except to lay down principles to apply to all the Allies that were in the war then, and those principles would apply equally to countries that might come into the war later on. I do not say—and I hope my hon. friend has not the idea—that the actual details in the working out of the principles were considered. That was not part of the duty of the Economic Conference; its duty was to get at principles that might be carried out with the cohesion and co-operation of the Allied nations. From now on until we reach the period of re-construction, experts and men of affairs in all the different lines will work out the methods so as to apply these principles. With reference to a remark of my right hon. friend, I may say that while every one felt that the economic resources of the different Allies countries should be used for the reconstruction and benefit of the Allies, there was no disposition in that conference, nor was there a hint of it, that there should be anything like non-intercourse or enmity towards neutral powers. Nobody at that conference, so far as I have heard, wished to

do any harm commercially to neutral countries, and on two grounds: first, because friendship could be kept with all neutral countries, and, second, because the broad grounds of commercial development and progress would not be consistent with any attempt to make a close corporation amongst the Allied powers to the exclusion of trade with neutral powers. Therefore, I think that this criticism that has sometimes been levelled against the Economic Conference is one which has no foundation in fact.

As to what should take place after the period of reconstruction and in normal periods of peace, principles were laid down tentatively and carefully and along somewhat the same lines, especially as regards the retention of the same spirit of helpfulness and co-operation amongst those who had borne the burdens of the war and who had suffered its tremendous consequental damages. There again, however, there was no thought of the exclusion of trade with neutral powers. As far as I have studied the discussions, I think there was the general apprehension that trade and commercial development was a world-wide phenomenon, and that it was neither possible nor beneficial that an attempt should be made to divide it up into air-tight compartments. At the same time, there was a strong adhesion to that idea of comradeship in trade, commerce, and development after the war which had been cemented in the comradeship of battle and bloodshed on the fields of conflict.

My hon. friend (Mr. Currie) led us over a very wide field. As to the necessity for most things which he mentioned, I think we all agree. We want in the first place to do the very best we can, on his return to this country for the man who has gone out from our midst and has fought our battle against the German foe; I do not think on either side of the House there is the least difference of opinion in that respect. There may be difference as to the best methods of bringing that about, but as regards our treatment of the returned soldier in every state of health and condition —from the man who has been rendered incapable of future labour to the man who is partly incapacitated and has to be taught and helped, to the man in full possession of his physical vigour who takes up again his old profession or wishes to undertake some new branch of labour and of life—we all feel that we owe to these men a debt which must be paid, and it is for us who have for the time being the management of affairs to make for them the best and wisest provision possible. That feeling which prevails in this country and in this House will, I believe, be appreciated by the soldier. I do not think the soldier who comes back after fighting our battles will feel that he has simply to sit down and be nursed by the country because of the service he has performed. He knows that he has performed gallant service, service of sacrifice and of great peril. That consciousness is with him, but he comes back to this country with the feeling that he wants to do his part in the civil life of the country just as well and as nobly as he did his part in the military life of the country. He has a perfect right to ask for the sympathy and help of the country for which he has fought and suffered, and if that be given to him in reasonable measure we shall have little difficulty with him in his effort to adapt and adjust himself to peaceful life. The returned soldier will have received much teaching and instruction that is not to be obtained in schools or in colleges, and which is only to be learned in that great drama of life in which he has played such a part. In certain essential elements he may therefore be a better citizen than without that experience and training. So I look to the adjustment of the returned soldier to the duties of civil and peaceful life as a matter of great importance, but not of such tremendous difficulty, if the country itself does its duty, as I believe it is determined to do, and if the soldier himself takes up his part in civil life as I believe the great bulk of our soldiers intend to. So much for the soldier settlement.

As regards trade and commerce—we want employment; our people need employment. There is no country in the world which has resources more ready at hand, more rich, more varied, and more widely distributed than has Canada, and if we can direct the capital and labour of our country in wise and reasonable ways to develop the great resources of this Dominion, there will be great things in store for us. But I am not one of those who believe—I think it would be wrong if we tried to believe—that we are going to float from the period of war into the period of peace without trouble, without great anxiety, without possibly a great deal of sacrifice and of difficulty. After a three-year period of dislocation, such an adjustment on so vast a scale is not an easy matter, and we cannot expect to go

through that operation on the flood time of prosperity. Prosperity will come afterward, in due time, but to my mind there will be a period in which difficulty, and lack of great prosperity will intervene and it is that period that will try the mettle and spirit of this country as much as the war is trying it to-day. You may put on tariffs until you are gray-haired and talk about them just as long and eloquently as you choose, but there are only two ways, either by internal commerce or by external commerce, in which this country can march to prosperity on the line of the development of its great natural resources, and that is along the line of wise laws, tariff and otherwise. We must have legislation to suit the time and the occasion. But even if we should have the best tariff legislation possible, we still need an accordant working of labour and capital on the basis of equal advantage to each, taking the circumstances into account, and without either one or the other wishing to gobble up the larger share. Labour and capital working together wisely, intelligently, and sympathetically is one thing essential in this country, and it will be necessary in all countries when the war ceases. Then it cannot be too often said that we cannot compete in the home field in this country with the man from outside unless we can make goods as efficiently, as cheaply, and as tastefully as our competitor, and we certainly cannot get into the foreign market unless we can do the same thing there. Therefore, we have got to have a working body which has received the best education possible on the lines of practical work and technical education and all that kind of adaptation of labour to the spirit of the time and to the object to be produced which is going to be one of the great factors of future development and future prosperity. So in these respects we have in the first place to get the wisest legislation possible. Then we have to get the closest co-operation between capital and labour. Then we have to get the most intelligent and best trained artisans and workers in the producing classes that we possibly can.

That is the object, I think, that my hon. friend has in view. His plan is to be carried out, in the first place in Canada for the development of Canada; in the second place in the Empire, for the development of the Empire as a whole; and in the third and fourth places for those outside of our own family who have the distinct relationship of ally or of neutral, with the bond of sympathy and co-operation, greater with the former than with the latter, as is natural and right. I think my hon. friend (Mr. Currie) is to be congratulated upon bringing this matter forward and treating it, as he has, so broadly and so well. The Government has no objection at all to the passage of the resolution. In fact, the Government has been working along in consonance with the Overseas Dominions and the British Government and, to a certain extent, with the Allies, for the years of the war, and it proposes to work along the same lines in the years of peace that are to come.

Mr. J. G. TURRIFF (Assiniboia): The Minister of Trade and Commerce (Sir George Foster) tells us that the Government has no objection to the passage of this resolution. I think I can safely say that no one on this side has any objection to it. But it seems to me it is altogether uncalled for; it declares for exactly what we have been doing all along. Can the hon. member for North Simcoe (Mr. Currie) point to any member of this House, either on this side or on his own side, who is not desirous of doing the best he can on lines indicated in the resolution? I do not complain of the resolution, but I do complain that the hon. gentleman has taken advantage of the moving of this resolution to make a most bitter partisan attack on members of this side, and has practically said that we have been sniping under a flag of truce. If any members of this House have been guilty of that sort of thing, I think the hon. member (Mr. Currie) himself is as guilty as any of the rest. Not very long ago there was a bye-election in Ontario, and of all the bitter partisan utterances I ever read, I think his speeches in that campaign were about the worst. This was during the war, and I was told—I do not state it as a fact—that he was in uniform when he made those speeches. I can hardly think it true, and I expect him to say that it is not true.

Mr. CURRIE: It is not true. It is like the rest of the lies they told about that campaign.

Mr. TURRIFF: But the hon. gentleman will not deny his own speeches, for I read reports of them in newspapers that support the Government. I had not intended to speak on this resolution, but as the hon. gentleman has selected some members on this side, myself included, as the objects of attack, I feel called upon to take part in

the debate. The hon. member says that we are endeavouring to shut up the manufactories of this country. I never in my life advocated a policy to the detriment of our manufacturers, nor do I wish to hurt any manufacturer. The policy that I advocate is one which will give the manu-

5 p.m. facturer less tariff protection than he has now, when he has two or three times what he needs. But it will bring about such a condition of affairs that the workingmen, the farmers, and the consumers generally, will have money in their pockets and will be able to buy the goods that the manufacturer makes. And what better can the manufacturer ask? Can he expect to prosper under a policy that does not tend to prosperity of the common people? In my opinion, what the manufacturer needs is a market. At present, he has a market abroad, owing to special conditions that will end with the war. Why should it be said that one who wishes to reduce the tariff seeks to injure the manufacturers? Prior to 1896 the old Conservative Government made reductions in the tariff. Did that close up any manufactories? My hon. friend (Mr. Currie) is a manufacturer; can he point out a case where putting an article on the free list that previously had been subject to duty closed up a factory? I was talking to a manufacturer the other day, and in the course of the conversation he mentioned some lines of his production on which there were high protective duties. But as to these he complained of lack of business. Incidentally, he mentioned one class of goods that he was manufacturing, which is on the free list, but in the production of this line he was making better money than in any other line. I was talking to another manufacturer about a month ago—

Mr. SPEAKER: The hon. member (Mr. Turriff) has had an opportunity, of which he has taken advantage, to deny the imputations of the hon. member for North Simcoe (Mr. Currie). Having done so, I hope he will not enter upon a discussion of a subject that is not covered by the resolution.

Mr. TURRIFF: I bow to your ruling, of course, Mr. Speaker. But the hon. member (Mr. Currie) went far afield, and with the consent of the hon. member who was then acting as Speaker, and I think it only reasonable that I should be allowed to answer some of the statements he made against hon. members on this side, myself in particular.

Mr. SPEAKER: But the hon. member (Mr. Turriff) has already given denial to those statements.

Mr. CURRIE: With your permission, Mr. Speaker, I would remark that the hon. member (Mr. Turriff) brought it upon himself by an interruption.

Mr. TURRIFF: I bow to your ruling, Mr. Speaker, I probably have said enough on the point with which I am dealing. I take up another statement of the hon. member which no doubt comes within the terms of his resolution. He talks of preparedness and says that it was because of our unpreparedness and that of Great Britain that this war was brought on. Did preparedness ever keep any country out of war?

Mr. CURRIE: I might point to the Morocco incident, England was ready for war then, and Germany was not.

Mr. TURRIFF: Germany has been ready for war for the last twenty-five years, and has been preparing all the time. It was the preparedness of many nations for war that brought on the war. The hon. member went on to speak of those who were opposed to preparedness and said they should be put in the asylum. Well, Mr. Speaker, we do not treat the advocates of preparedness in that way; we make colonels of them. Instead of going to Britain for his ideas and ideals, the hon. member prefers to go to Germany, and all afternoon he has held up Germany as the nation that we should copy after. I do not think my hon. friend will get much backing up either on this side of the House or his own when he proposes that we should go to Germany for our model in carrying on the civilization or business of the world. Britain is good enough for me. With her mistaken policy of free trade in everything practically excepting liquors, tobacco and a few luxuries, she is able to conduct the big end of this war and to loan money by hundreds of millions of pounds to all the Allies, and all the countries borrowing from her are high protectionist countries. That, I think, is a sufficient answer to that part of his argument.

My hon. friend said that Canada should be the paper-maker of the world. Perhaps she should, but I can assure my hon. friend that as long as Canada has a high protective tariff on everything that practically goes into the making of paper, whether she makes the paper down on the Atlantic coast

or up in the central portion of Canada, or out on the Pacific coast, she will not be the paper-maker of the world. By high protection you make the cost of machinery, wages and the feeding and clothing of the people so high that you cannot manufacture paper or anything else cheaply enough to enable you to compete with the other countries of the world that make paper under better conditions and with lower rates of freight.

Another idea that my hon. friend advocated as one which was going to solve all our difficulties was that we should take over the railways and carry manufactured goods from the manufacturers to the seaports at the same rate of freight for 2,000 or 3,000 miles as was charged for 25 miles. What would the people, who have to pay for keeping these roads up, think of carrying raw material from Montreal to Edmonton there to be manufactured and then shipped back to Montreal to be exported at the same rate of freight that the manufacturers in Ottawa paid to ship goods to Montreal? To my mind the suggestion is very, very unreasonable. It is not feasible at all, and bad and all as the railway situation may be in Canada, if my hon. friend undertook to remedy it in that manner, it would be just out of the frying pan into the fire, because he would make the situation much worse. There are some things you cannot do to advantage in the West. The manufacturing of many lines of goods is amongst those things that cannot be done to advantage. We can grow almost all kinds of farm produce to advantage. Let the manufacturing be done largely in the east under a proper tariff, not a protective tariff, but a revenue tariff. The tariff on many lines now is such that we do not get any revenue out of it. But, I am afraid I will get on the wrong side of your ruling, again, Mr. Speaker, so that I will not go any farther on that subject.

My hon. friend stated that he was pleased to congratulate the Minister of Finance (Sir Thomas White) on having set apart money for the building of ships in Canada. I think he was mistaken there. I listened very carefully to the Minister of Finance in all the speeches he has made in connection with the matter and I do not think I heard him say that he had set aside one dollar of Canadian money for the building of ships. Hon members on this side of the House have advocated for the last two years that the Government should do something in connection with the building of ships, but they have not done so and the Minister of Finance did not say, as far as I understood him, that one dollar of Canadian money was being placed to the Imperial Munitions Board for the purpose of building ships. It is all British money that is being handled in that way.

There is just one other item that I wish to touch on before I sit down. The hon. member for North Simcoe made the statement that this Government was paying lieutenant-colonels—or colonels—I forget which—who were not at the war and who were not going to the war, from $15 to $20 a day, and that colonels who are bearing the brunt of the battle in the trenches are getting $6 a day. If that statement is correct it is the most scandalous charge I ever heard made against the Government since the House met. Why should a colonel in Canada get from $15 to $20 a day who is taking no risk, and who is going around with his frills and feathers while the man who has the courage of his convictions and who goes to the front and faces the enemy is getting $6 a day? If that is the case, Mr. Speaker, and I suppose it must be, because I imagine my hon. friend knows what he is talking about, there is an explanation coming from the Government, an explanation to the people of Canada, and there is more than an explanation, there is action coming from the Government that will put a stop and put a stop at once to that state of affairs. The fighting colonel gets $6 a day and the tea-party colonel gets $15 a day, to put it at the lowest figure. I am just drawing the attention of the Government to it. I do not know anything about it but I take the statement made by the hon. member and I say that if it is correct then there is action coming from the Government and that quickly. The Minister of Militia (Sir Edward Kemp) is out of the House at present or I would ask him if the statement is correct. We will expect the Government to make some statement in that connection and, if conditions exist, such as have been stated to exist, action must be taken and taken promptly to bring about a better state of affairs. If there is any advantage to be given it should be given to the man who is at the front and not to the man at home. My hon. friend the Parliamentary Secretary for the Department of Militia and Defence (Mr. McCurdy) is here and he will probably be able to give the information.

Mr. SPEAKER: I would suggest that my hon. friend put his question on the Order Paper.

Mr. TURRIFF: I have brought the matter to the attention of the Government, and if they are not able to answer it, or do not care to answer it, why, it is their responsibility. There is one other matter that my hon. friend dealt with, that I will not deal with to-day, and that is in connection with the returned soldiers. That is a wide matter and one that I intend to have something to say about at the proper time. But as there will be many other opportunities for the discussion of that question I will pass it over to-day, and I will not deal further with the remarks of the hon. member for North Simcoe than to emphasize that he was absolutely mistaken when he stated that I was in favour of the closing of any manufactory of any kind in Canada.

Motion agreed to.

WOMAN SUFFRAGE.

On the proposed motion of Mr. Pugsley:

That, whereas, in the provinces of Manitoba, Saskatchewan and Alberta, the provincial franchise has been granted to women by legislative enactment, and in British Columbia the electors have voted in favour of similar legislation;

Whereas it is provided in the Dominion Election Act that persons entitled to vote for Members of a Provincial Legislature shall also be entitled to vote for Members of Parliament, but in respect to Alberta and Saskatchewan—alone of all the provinces of Canada—it is provided that only males shall be entitled to vote for Members of the Federal Parliament, thus creating an anomalous situation as between the provinces, which should be removed;

Whereas during the present Empire struggle the women of Canada have shown a most intelligent and patriotic interest in, and an unselfish devotion to, the welfare of the State;

And whereas it seems but just and right that they should be given a voice in the direction of its affairs:

In the opinion of this House it is desirable that provision be made either to grant to women who are qualified to vote for Members of a Provincial Legislature, the right also to vote for Members of the Dominion Parliament, or to grant to women throughout the Dominion the right to vote for Members of Parliament, subject to such provisions and limitations as may seem reasonable to Parliament.

Sir WILFRID LAURIER: Dropped.

Mr. SPEAKER: Dropped.

THE ROSS RIFLE.

On the proposed motion of Mr. Murphy:

That, having regard to the fact that the failure of the Ross rifle as an active service weapon was known to the Government in the early stages of the war, and that notwithstanding such knowledge the Government has continued to equip Canadian soldiers with the said rifle, this House is of opinion that the Government is deserving of censure for its conduct in the premises as well as for its prolonged delay in providing an efficient substitute for the Ross rifle.

Sir WILFRID LAURIER: Dropped.

Mr. SPEAKER: Dropped.

RETURNED SOLDIERS.

MOTION AS TO THE SCALE OF PENSIONS.

Mr. J. H. BURNHAM (West Peterborough) moved:

That, in the opinion of this House, it is desirable that the Government should fully realize that this House, while approving largely its past efforts to provide fully and amply for returned soldiers, would favour legislation providing for those who have fought for their country so that they may not be compelled to resort to canvassing and other unsuitable measures to eke out a livelihood which should be provided by the country for those practically disabled and unable to find suitable employment; and that generally it be understood by the Government that this matter is one for immediate and complete consideration; and further that pensions and other provisions on behalf of soldiers and their families should automatically rise or fluctuate as prices do, so that the amounts thereof be not curtailed or decreased as at present to the detriment of those for whom Canada is under every obligation to provide.

He said: Mr. Speaker, my object in putting this resolution on the Order Paper was manifestly to give the House an opportunity of expressing its opinion up to date concerning a matter of the first importance. It will be remembered that last year, when the Pension Bill was foreshadowed, I put a resolution on the Order Paper of the same tenor as this. On investigating the Bill last year I found no less than 26 cardinal objections to it, and I did myself the honour of sending to some members of the House, notably the members of the Government and the right hon. leader of the opposition, a schedule of these, in order that they might be taken into consideration. However, later on a special committee was appointed to consider the question, and as I presumed it would deal with all the objections that I as well as others had made, I took no further practical interest in the matter with regard to the resolution itself. But I find that the pension scheme which was then brought down has a great many vulnerable points in it, of so serious a character that unquestionably the whole subject should be thrown open for discussion.

I have intimated in my resolution that there are three main divisions for reconsideration. One is that the men are not properly provided for; in other words, that

the pension list is not sufficiently munificent. Another is with regard to the finding of suitable employment for those who will be out of employment; and the third is with regard to the fluctuation of prices, since a stated pension is manifestly greater or less according to the fluctuation of the prices which it is intended to meet. I am aware that the Government is actuated by a desire to deal with soldiers most generously. I understand that a Pension Bill is coming down that will be a great improvement on anything we have had before. I have no doubt of that. But it may be possible that we shall have some suggestions to make to-day that may help in a case like this, and we cannot afford to omit anything that may be of the least advantage to the soldier and his dependents.

The true basis of a pension scheme in a democratic country like Canada should be equality; that is, that there should be really no distinction between officers and men. The spirit of the pension scheme as outlined in this memorandum which was served upon us all recently would indicate, in fact it specifically states, that the pension shall have no reference to the previous occupation of the soldier. Well, it should have no reference to the subsequent occupation of the soldier. I freely admit my appreciation of discipline and of that halo of distinction that must necessarily attach to an officer in authority over a large body of men, who, like a magistrate, or like you, Mr. Speaker, is more or less clothed in a distinction which is perhaps, though very fitting, nevertheless somewhat artificial. I could therefore understand that when a colonel or any such officer is in the actual course of his employment he should have a larger salary, a larger pay, a larger wage, than a soldier. But when he comes out of the fight he should not have a larger pay. I can find no reason why he should. There is no reason why by reason of any distinction that he has acquired or any service that he has rendered or not rendered he or any member of his family should have a larger pay than any other retired soldier. If this House, or the country desires to reward him particularly it is open to the House to move that he should have a larger sum of money placed to his credit or some other distinction conferred upon him. It is open to the Government or to the authorities to decorate him with various medals. Those are the things provided for that purpose. But when we come down to a simple commercial consideration of the question, he has no title to richer food, better apartments, finer accommodations and generally better support by the country than any other man who has done his duty, because I am convinced that a sense of duty, a sense of self sacrifice, is the highest qualification for merit. Absolutely we are not civilized until we reach that stage. If any other thing, such as the acquirement of property or the leverage that a large income may give, is to be the climax of our democratic distinction, then all I have to say is that we have not reached that peculiar and subtle form of the true spirit of democracy which means that sacrifice is far greater than property. Therefore I would urge that this feature of the matter should be very carefully considered. I may say in general terms that the soldier and his family should be, so far as necessary, even to the straining of a point, wards of the nation. Therefore I give utterance to my absolute dislike of the provision that after a boy is 15 years of age and a girl 17 there should be no further payment of pension on his or her account. That is preposterous; it is absolutely improper. Wards in chancery are taken care of until they are 21, being the children of the court until they attain that age. It has never been suggested that a boy is of age when he is 15 or a girl when she is 17. We should try to find out, not how little we can do, but how much we can do without offending the soldier and his family. Let us be ever ready to help.

Another thing, I must confess, appears to me to be extraordinary. When a man is discharged from the Expeditionary Force he gets 15 days' pay and then he goes into the domain or the zone of the province, which is supposed to find him employment. I say that that is wrong. This man is taken out of the life of the country, in which, perhaps, he was earning a very comfortable salary. He may have been a plumber, a coal dealer, a man of that description, making money hand over fist. He dropped it all, dropped his prospects, dislocated his whole domestic system and went abroad to fight. Having done these things, he is told, when he comes back: we will give you 15 days' notice, to enable you to get into your proper sphere of civil life. That is my understanding of the procedure, and I certainly think it is improper.

Mr. McCURDY: With the permission of the hon. member for West Peterborough, I should like to correct his assertion with regard to the conditions under which soldiers are discharged when they become fit

for return to civil life. The hon. gentleman speaks of their receiving 15 days' notice. As a matter of fact, under present arrangements, each soldier returning to civil life is entitled to receive three months' pay upon his discharge from the Expeditionary Force.

Mr. BURNHAM: I understand the hon. gentleman's reference; I will return to it in a few moments. The present pensions for the men are, I confidently assert, away below what they ought to be, especially in view of the fact that when the men set out prices were 50 per cent lower than they are now. Indeed, the necessities of life have advanced, roundly speaking, 100 per cent; yet the pensions remain the same. If we were paying a salary, or a wage, well and good. Then we might say caveat emptor—let the man who makes the contract look after himself. But it is not so. We have said to the soldier: Go and fight for us; we will look after you; do not worry about that. And the way we look after him is to give him a pension which is now only half what it was when the pension list was first made out; yet we do not purpose increasing it in any way. And, strange to say, a man who is totally disabled gets $480 a year while his wife gets nothing. His children are provided for, but his wife gets nothing, on the principle, I assume, that man and wife are one, and therefore the wife is not entitled to anything. Or it may be that it is supposed that she would like to take in washing or something of that kind, doing something towards the support of the family. I do not endorse that view. I think that single men should be provided for on one scale and married men on another, and certainly the wife should not be ignored.

Mr. BLAIN: My understanding of it is that when a man is totally disabled he gets $480 a year and a further allowance of $250 a year.

Mr. HAZEN: If he requires the services of an attendant.

Mr. BURNHAM: That is an entirely different thing. But even if a man be disabled to such an extent that he requires some one to look after him, the payment of $250 a year would not help him very much. When a man gets into such a condition as that, through old age or otherwise, he has to pay $50 a month or more for a male attendant, so that $250 a year is practically nothing.

The partial disablement pension is founded on an entirely erroneous assumption, namely, that finding employment is purely a matter of arithmetic. In other words, if a man is 80 per cent unfit, his chances in life are diminished by just that much. If a man who is 80 per cent unfit seeks employment, he will get very little, because there are mighty few people who would employ a man who was 80 per cent unfit. His salary is cut down accordingly, and he is, therefore, in far worse condition than if he were totally unfit. Strange to say, the scale stops when it comes down to the man who is 20 per cent unfit. That is to say, a man who suffers partial deafness, or the loss of an index finger, is considered 20 per cent unfit; but the man who is 19 per cent unfit gets nothing. I suppose many people will hardly believe that, but it is so. In other words, if a man has an injury like a scar across his face, which would make him look pretty tough and probably result in his rejection if he sought employment, gets nothing under the partial disablement plan.

The pay and provision of a soldier on active service is, to my mind, largely the criterion upon which we should go. The single man on active service gets $1.10 a day. His quarters and rations are valued by the Government at 60 cents a day—that is to say, were valued; I am taking the list as it is. Then we must value his clothes at $4.50 a month, and I am putting down his medical attendance, which is free, at 50 cents a month. This means that he gets a total of about $672 a year. It is not necessary for me to go into this in any involved way; I simply say that when a man who becomes totally disabled gets $480 his pay is reduced by $200. When he was well able to fight we could give him $672—which is a generous statement of the amount—and when he is not able to fight we give him $480. If that is equity I do not understand it. If he were a married man on active service his pay, quarters, rations, clothing, medical attendance, separation allowance and allowance for, say, five children, would amount to about $100 a month, or $1,200 a year. As I shall show, however, when I come to a consideration of the pension statistics as given in this memorandum, the pension such a married man would receive is very much lower than this figure. In other words, although I know that the Government are most anxious to treat the soldier in a fair manner, nevertheless we have taken him in his strength and heyday of life and have paid him one amount, and

when he is of no more service to us we have cut him off with a very small pension. I know we do not intend to do that, but that is what our treatment amounts to.

I would like to call the attention of the under-secretaries to this point. After the fit man is discharged by the Government, he gets fifteen days' guarantee between his discharge and possible employment.

Mr. McCURDY: Three months.

Mr. BURNHAM: Three months when he comes back.

Mr. McCURDY: A soldier on his discharge from the Expeditionary Force is entitled to draw three months' pay.

Mr. BURNHAM: That is when he is discharged. After that is there any guarantee?

Mr. McCURDY: I do not know about a fifteen days' guarantee.

Mr. BURNHAM: This memorandum says:

> If fit for discharge, that is, fit to resume his civilian occupation with no lessening of his earning power in the general labour market, his discharge is post-dated fifteen days, to which date his account is settled, all pay due to him being paid. Case finally closed.

Sir WILFRID LAURIER: What is the hon. member reading from?

Mr. BURNHAM: I am reading from a pamphlet with the heading:

> Memorandum showing rates of pay and allowances authorized for the Canadian Expeditionary Force, the active militia on home guard duty, and the active militia called out for active service, together with rates of pensions applicable in the case of death or disability incurred on service.

Mr. McCURDY: Since that book was distributed the regulations have been changed.

Mr. BURNHAM: This is the information that has been furnished to me. All I can say in that case is that the records of the House are incorrect.

Mr. McCURDY: There has been this alteration, that a soldier on discharge receives not fifteen days' pay, but three months' pay.

Mr. BURNHAM: I am glad to have that amendment made. So far, so good. We are advancing. I am making my indictment of the statement in this pamphlet, and the first indictment I have made with regard to the fifteen days' guarantee has been anticipated by its being changed to three months' pay.

Mr. HAZEN: By whom is that book published—by the Militia Department?

Mr. BURNHAM: This was sent to me by the Government.

Mr. HAZEN: Is it published by the Militia Department or by the Pensions Board?

Mr. BURNHAM: I cannot say, but I think it is published by the Militia Department. Colonel Winters sent it to me.

Mr. NICKLE: That red book which my hon. friend has was published before the recent Order in Council went into effect. Men who have not been overseas—and the same regulations did apply to men who had been overseas—receive fifteen days' pay; in other words, their discharge is post-dated fifteen days. Soldiers who have been overseas receive three months' pay when they are discharged. I believe the payments are made monthly, but their pay is continued for three months' after their discharge.

Mr. BURNHAM: Is this book correct in all other respects, because I do not want to spend time in discussing it if it is not?

Mr. McCURDY: That book was correct on the date it was issued.

Mr. BURNHAM: Does any one know whether it is correct now or not? I understand there is an intention of giving some good, fat salaries to some hon. gentlemen, and I fancy they are good, careful men and would spend their time in bringing things up to date. This is a time of war, and I would like to know what they are doing.

Mr. NICKLE: That book was correct on the date it was published, but there have been subsequent Orders in Council that have made alterations.

Sir GEORGE FOSTER: My hon. friend will understand that an edition of the book cannot be published every day.

Mr. BURNHAM: As soon as the Government undertakes to serve people with notice of what the Government is doing, they become entitled thereafter to notice of every alteration. That is a principle well known to every lawyer.

Mr. HAZEN: Is the date of publication of that book printed on the first page?

Mr. BURNHAM: I really do not know.

Mr. HAZEN: My hon. friend can tell by turning to it.

Mr. BURNHAM: I do not see the date.

Sir WILFRID LAURIER: Is that book printed by the King's Printer?

Mr. BURNHAM: All I know is this. This book came to me with a letter and that letter was signed by Colonel Winter, the Military Secretary of the Department of Militia, and it purports to be a memorandum containing rates of pensions and so forth.

Mr. OLIVER: When did you receive it?

Mr. BURNHAM: About ten days ago.

Mr. MARCIL: I received a copy of the same book with a similar letter.

Mr. OLIVER: I did not receive a copy of any such book.

Mr. McCURDY: The Order in Council to which the hon. member for Kingston (Mr. Nickle) has referred, was passed more than a month ago.

Mr. BURNHAM: That does not make any difference as to the receipt of the book. Surely the book was not sent out after an Order in Council, making alterations in it, was passed. If so, then the Government is going to pieces altogether.

Mr. NICKLE: The Order in Council was passed subsequent to that book being distributed.

Mr. BURNHAM: I would recommend the matter to the attention of my hon. friend. There is a question I would like to ask the Government with respect to partially disabled men. Partially disabled men are liable to a recurrence of their ailments; their wounds may burst out afresh; there may be gangrenous affection besides. If a partially disabled soldier has to pay for additional medical treatment, all his meagre pension will be swallowed up. Is there any provision made for such cases? No. In this pension list, in the treatment of partially disabled soldiers, that fact is entirely ignored, whereas any one who has any knowledge of the human frame, or who has the slightest idea of pathology, must know that these wounds may burst out afresh at any time. The pensioner, however, must pay his doctor's bill; there is nothing that I can find here to the contrary. I would advocate strongly that for at least three years after discharge free medical treatment be provided for the partially disabled soldier, because there will be no graft on the part of the pensioner as no man wants to be medically attended if he does not require such treatment; no one wants his limbs probed or tampered with in any way unless there is something wrong with him and perhaps a piece of bone is working its way to the surface or something of that kind. The Government therefore need not be afraid that there will be any graft in such a case.

Mr. W. F. NICKLE: Provision has been made by Order in Council whereby a man who has been prematurely or improperly discharged may appear before the Medical Board, and if they are satisfied that his then condition is attributable to his services he is again admitted to hospital, his pay and allowance are immediately resumed, and he is treated by the state free of charge.

Mr. BURNHAM: That Order in Council is not in this book.

Mr. NICKLE: I cannot say as to that, as I have not read the book. I am only stating what the fact is.

Mr. BURNHAM: I am glad the Government has a lot of good things up its sleeve, because, upon my word, it seems to need them. These misapprehensions and misunderstandings on the part of members of Parliament may just as well be cleared up, because we want to know what is being done.

The next paragraph says:

> The Commission shall make provision for the vocational training of those who are desirous of taking advantage of it, and for the supplying, from time to time, of artificial limbs and appliances to those who would thereby be benefited.

I see nothing in this book to indicate that after they have received vocational training and become proficient, work will be provided for them. Some reasonable effort surely should be made in that respect. Let me give the House an illustration. A man came to me not long ago who had had his left eye blown out by a bit of shrapnel. He was given a glass eye. He had one ear hanging, not very bad perhaps, but still pretty ragged. He had also a wound in the back of his head, and had lost his left arm. The whole of his left side had also been gouged out—it did not appear until he showed it to me—and his left knee had been knocked to pieces. He said "I am a pretty looking object," and I said, "I agree with you. Were you in a railway collision." "No," he said, I was over in France, and am now a wounded soldier. If it were not for the Maclean Publishing Company I would be in a very bad fix, because my pension is not nearly

enough. You know how things are yourself. I have got to eke out somehow, and this publishing company have given me and some other soldiers some work." Another returned soldier came in while he was talking. This one had a wooden arm, and I asked him how he got along with it. He said, "I could get along all right if it were not for the infernal pain. I am supposed to be a one-armed man, but most of the time I am half crazy with pain." The pension he got was on the basis of a one-armed man, but he was no more fit to do work than the man in the moon. The pensions of both these men were entirely inadequate, as I knew myself. But they were given work by the Maclean Publishing Company selling books. There were five or six other soldiers selling books for the same company in the immediate neighbourhood that day. Many people have said to me, "It is disgraceful that these poor fellows, many of them knocked to bits, should have to do this. Some of them were horrible looking objects because of their wounds, but their wounds, bad as they were, were marks of honour and distinction. These soldiers would go around to the same few men in the central part of the little city of Peterborough and ask, "Will you buy this book?" The man would buy it, of course, even if it took his last cent, and the soldiers would say, "We are sorry to have to come and ask you, but if we did not do this we could not possibly get along."

Now, I say that state of affairs is too bad. Even if a pension of $480 was sufficient some time ago, the price of butter, potatoes, coal, rent, clothes and every thing else has gone up so rapidly that the pension does not represent anything like $480 now, and this must be taken into consideration. People may say: If you are going to provide against fluctuation, what about it when things go down in price? Well, that is really alarming. Would it not be an awful thing if the soldier got a dollar or two too much? They have given their best for us; they have faced the cannon's mouth, and we are so frightened they may get a dollar or two extra in case of a fluctuation downwards that we will not run the risk of providing against a fluctuation upwards. That is really one of the most appalling things I ever heard. That kind of thing won't satisfy the people of this country and it won't satisfy the soldiers. I know this Government is most anxious to do what is right but these are concrete instances that have come before me. As the Minister of Trade and Commerce said this afternoon these men do not ask to be nursed when they return to civil life. Certainly not; I do not know any of them that want to be nursed. I have seen and talked with hundreds of wounded men. Imperial and Canadian, and, believe me, some of them are more like crazy men than anything else; they have been simply jarred to pieces. Between the hours of eleven and twelve they would be calm, perhaps, and would talk about themselves, but very often from one to two o'clock their nerves would be completely gone. Not only are the nerves merely affected in what are known as these distinctly nervous cases, but frequently the nervous system is permanently injured, and nobody can possibly tell how much or how little the man is injured; when you undertake to say that one man is 80 or 60 or 40 or 20 per cent injured and ignore all below 20 per cent, you are going pretty strong. Class 1 deals with total disability, 100 per cent, and reads:

> Loss of both eyes.
> Loss of both hands, or all fingers and thumbs.
> Incurable tuberculosis.
> Loss of both legs, at or above knee joint.
> Insanity.
> Permanent extreme leakage of valves of heart.

Insanity need not be mentioned in that list, because insane patients are sent to an asylum at the Government's expense. Anyone who is suffering from permanent extreme leakage of the heart is absolutely useless physically. Now, all that a man in this class gets is $480, and I say that won't do.

At six o'clock the House took recess.

After Recess.

The House resumed at eight o'clock.

Mr. BURNHAM: (Continuing) Mr. Speaker, I was approaching, with some degree of diffidence, the clauses dealing with the rates of pensions. I may say, before going further, and for the purpose of allaying any anxiety that may exist on the part of any of my friends, that I am going on with this resolution with the full knowledge and consent of His Majesty's Government who are always anxious to know everything that can be said on any question in order that they may turn out, no doubt, the best quality of legislation possible in the interests of the country.

The man in Class 1, total disability, receives $480 a year, I dealt with that. I now come to Class 2:—

Class 2—Disability 80 per cent and less than 100 per cent—pension 80 per cent of Class 1. For example:—
Loss of one hand and one foot.
Loss of both feet.
Disarticulation of leg at hip.

The man in this class gets $384 a year. Now, manifestly, $384 a year will never put that man where he was before, even supposing that where he was before was a very moderate condition of life indeed.

Class 3—Disability 60 per cent and less than 80 per cent—pension 60 per cent of Class 1. For example:—
Loss of one hand.
Loss of leg at or above knee.
Loss of tongue.
Loss of nose.

"Loss of Tongue." What man with no tongue in his head could get employment? This, to my mind, is absolutely extraordinary. The man who got up this list of pensions had a much keener sense of arithmetic than of anything else. The man in this class gets $288; his wife gets nothing.

Class 4—Disability 40 per cent and less than 60 per cent—pension 40 per cent of Class 1. For example:—
Loss of one eye.
Loss of one foot.
Total deafness.
Loss of two thumbs.

Total deafness is an extremely serious thing. If a man totally deaf came to us looking for appointment, we should certainly put him off, for we should have to communicate with him by writing. That man would be useless as a porter, as a janitor, as a clerk. I cannot understand some of these things:

Class 5—Disability 20 per cent and less than 40 per cent—pension 20 per cent of Class 1. For example:—
Loss of one thumb.
Anchylosis of elbow, knee, shoulder, wrist or ankle.

Class 6—Disability under 20 per cent, a gratuity not exceeding $100. For example:—
Total deafness in one ear.
Partial deafness in both.
Loss of index or other finger.

This man gets $100 and is thrown on the world. Partial deafness in both ears is differentiated from total deafness, yet it may come close to total deafness, and partial deafness is very likely to grow worse, and people would hesitate to employ this class.

16. If a member of the forces has been killed, or has died as the result of injuries received, or disease contracted, or aggravated while on active service, the widow, until re-marriage, shall be entitled to the equivalent of the pension in Class 2, and also be entitled to draw the allowance for children. On the re-marriage of the widow her pension shall cease but she shall be entitled then to a gratuity of an amount equivalent to one year's pension.

She is relegated to Class 2,—$384. It seems to me that is a very serious reflection upon the generosity of those concerned, especially in view of the fact, as I will cite later on, that when a widow is left with children and remarries, she gets a certain amount as a gratuity which comprises the allowance for herself and her children.

22. A widowed mother, step-mother, or grandmother, wholly or mainly dependent upon a member of the forces who is killed or dies as the result of injuries received, or disease contracted, or aggravated while on active service, if such member was without dependent children and unmarried—

Mark that. If a man increases his obligations, if he enlarges his sense of filial piety, by taking his poor old grandmother under his wing, she would get nothing.

—or a widower, shall be entitled to a pension of Class 3, provided, however, that no such woman shall be entitled to more than one pension.

Which, of course, is perfectly correct.

On the marriage of the woman such pension shall cease, but she shall be entitled then to a gratuity of an amount equivalent to one year's pension.

23. A father, wholly or mainly dependent upon the son who is a member of the forces, and who is killed or dies, as a result of injuries received, or disease contracted or aggravated while on active service, if such member was without dependent children and unmarried, or a widower, shall be entitled to a pension of Class 3.

Comment is unnecessary. On page 19, at the bottom, we have a reference to a widow with children. This paragraph is not dignified with a number. It comes in after a lot of others, and may be any old thing, I suppose.

Pensions may be paid to widows and children of those who have been killed in action, or who have died from injuries received, or illness contracted on active service, during drill or training, or on other military duty, at the following rates; provided, the soldier's death was not due to his own fault or negligence and was clearly due to the carrying out of his military duties.

All which, I may incidentally observe, he has got to establish, and establish with such accuracy and so beyond cavil that by and by, I can well understand, they got absolutely desperate. The Government should take upon themselves the onus of making immediate inquiries, most searching inquiries, in the most generous way, regarding these cases. As soon as they learn—

as they should learn, should be bound to learn—that somebody connected with the man's family is in want, or may fall into want, or is entitled to something, they should send reliable officers to learn the facts. I do not believe the Opposition would object, and demand returns, and say that there were too many officers. If necessary, appoint returned soldiers, and then they would not say anything. These poor souls are blocked by routine. They do not understand the thing, they do not know what you mean, half of them. Now a widow and her children, if the husband belonged to the rank and file, would get $22 a month, and $5 a month for each child. If she had four children, that would mean $504 a year. Now, $504 looks a big sum to the man who is giving it, but it looks like a very small sum to the woman who is getting it, especially if she has to provide for those children and train them. I do not believe that that $504, if it were given to the widow and children of a soldier who happened to die elsewhere than on the battlefield, would send him to his grave in a very contented frame of mind.

(b) In the case of orphans, the rates shown above for children may be doubled, and the pension paid to legally appointed guardians.

This is on the face of it a very generous construction—it " may be doubled." But look at the files in the office of the Board of Pension Commissioners and you will find correspondence enough there to fill an ordinary filing cabinet. And at the end of it, what? Desperation. " May be doubled." And they immediately begin piling up objections. They begin to say " We must do this;" " we must do that;" " we must do the other." In Heavens name, let them do it. But they don't do it. And you have to keep attacking them, you have to keep pounding at the door. They do not do anything of the sort.

Mr. NICKLE: Does the hon. gentleman understand that he is not quoting now from the rules in regard to pensions applicable to members of the Canadian Expeditionary Force?

Mr. BURNHAM: Does this refer to militia? What is this?

Mr. NICKLE: The hon. gentleman will observe that after page 18, at section 27, it goes to another scheme of pensions altogether not applicable to members of the Expeditionary Force.

Mr. BURNHAM: What is the pension that applies to widows and children?

Mr. NICKLE: From the word "one" on page 14 to the words "to it" on page 18.

Mr. BURNHAM: This misapprehension would have been saved by the number I was looking for in this paragraph. However, this does not in any sense sidetrack my objection, because these are pensions that are supposed to be given to those who deserve them, and this is a case that must be analysed just the same as anything else. It says further on, and this is possibly to what the hon. member for Kingston points, that pensions may be paid monthly in advance. I say they should be paid monthly in advance. This book contains the whole system of pensions. I am not necessarily confining myself to the Canadian Expeditionary Force pensions. I am dealing with all the pensions which this Government propose to give to men who, at this period of the war, are supposed to deserve them for services to the state. It says that any pension to a widow with children will cease when the mother re-marries, but the mother's gratuity will include the children's pension for two years, in which case the children's pension goes. As a result of a conference held between the Dominion and the provinces, I understand that fit soldiers were to be looked after by the provinces and disabled soldiers by the Dominion. This newspaper, the Citizen, of a recent date, from which I am quoting, says:

The Dominion Government, on the other hand, assumed the responsibility of caring for and providing for soldiers incapacitated for employment, or those who required special training or treatment before undertaking employment. This division of the work has been followed since this conference. The provinces have formed committees to undertake the work of re-employment, while the Dominion has provided for all invalided and disabled soldiers, and the vocational training of returned men.

In that there is a very serious omission; for the vocational training and employment of returned men, it ought to be. The provinces do not look after the employment of these men at all, and neither, according to this statement, and I understand it to be correct, does the Dominion. I shall now quote from some evidence contained in the

Proceedings of the Special Committee appointed to consider, inquire into and report upon the reception, treatment, care, training and re-education of the wounded, disabled and convalescent who have served in the Canadian Expeditionary Forces, and the provision of employment for those who have been honourably discharged, and the training and re-education of those so discharged who are unable to engage in their former occupation.

This is dated Friday, March 2, 1917.

By Brigadier General Mason:

Q. You get information concerning the returned soldiers in what way? A. Through the Military Hospitals Commission. We had a great deal of difficulty at first in meeting the returned soldiers because the train which would bring them to Ottawa from Quebec arrived here late at night, and the soldier, being treated so generously in Montreal en route by the Khaki Club, would prefer to leave there at 10 o'clock at night, thus reaching here at one or two o'clock in the morning. It has been the case that soldiers would not arrive on the train we were advised they would come on, but on a later train, with the result that there was nobody on hand to meet them, but that has not happened frequently.

It is not necessary to go farther with that to show that there is an entire lack of system. That is not the way the men went abroad. Everybody was down at the station to see them off. This is a difficulty that arose from the very haphazard and unsystematic methods that existed in Canada.

Mr. SPEAKER: Do I understand that the hon. gentleman is quoting now from evidence given before a special committee of this House?

Mr. BURNHAM: Yes.

Mr. SPEAKER: May I ask if the committee has yet reported?

Mr. BURNHAM: I think so. This has been furnished to members.

Mr. SPEAKER: If the committee has not reported it is not competent for the hon. member to refer to the evidence.

Mr. BURNHAM: I thought it had been handed to the members and that it was all right to refer to it. I got this copy from the table of the House. As my documentary evidence was somewhat called in question at the beginning of my remarks, I should like to read this letter:—

Minister's Office,
Ottawa, 19th April, 1917.

Sir,—

In view of the many enquiries being received regarding rates of pay and allowances for members of the Canadian Expeditionary Force overseas, the Active Militia on Home Guard duty, and the Active Militia called out for active service in Canada, as well as rates of pensions, separation allowance, etc., I am instructed by the Hon. Minister of Militia and Defence to enclose herewith for your information and guidance a pamphlet setting forth these particulars, and other information in regard to the Canadian Military Forces.

I have the honour to be, sir,
Your obedient servant,
Charles F. Winter, Colonel,
Military Secretary.

John H. Burnham, Esq., M.P.,
House of Commons,
Ottawa.

[Mr. Burnham.]

That letter was accompanied by this little red book.

Mr. GRAHAM: What is the date?

Mr. BURNHAM: 19th April, 1917, just a month ago. This memo is, therefore, I should fancy, duly authenticated. I shall not detain the House, but I would simply assert, if I have not done so before, that widows and orphans are not adequately provided for. At a recent meeting of the War Veterans' Association in Winnipeg it was held that the basis of pay should be $1,200 a year, or $100 a month, and that strikes me as right. I know what expenses are in this country, especially at this time, and no soldier can be adequately provided for in view of the enormous prices of everything and the fact that prices are likely to continue, if not quite at the present rate, very nearly at that rate, and I do not think that one can make a mistake in being decidedly generous. Where men have been allowed to eke out their pensions by going about selling articles and soliciting from the public I think their cases should be inquired into and the results reported to headquarters. I do not think they should be compelled to do this sort of thing by reason of their circumstances, and I do not think, if they have been properly provided for, that they should be allowed to do it. Whilst I have no complaint really to make in regard to the Board of Pensions, as I believe they are actuated by the highest sense of duty, I positively assert that the system of investigating pensions is entirely wrong, or nearly so.

I shall give you one instance, the case of a woman who had married again but had been very unfortunate in her second marriage in that she married a chronic invalid who was not able to earn a living, and who clearly came within the spirit and, I think, the actual letter of the pension law. This woman came to me to see what had become of her deceased son's estate. This son was her only child. He had sent to her each month a large sum, considering his pay; but he was one of those men who did not know the regulations and he had not returned it according to the regulations. Let me digress to say, without being unduly critical, that the frequent delay in the return of assigned pay—I will not say through whose fault—and the uproar occasioned from time to time by failure to pay the separation allowance, excited in the minds of many soldiers an apprehension that since their good people at home had nothing or next to nothing to go upon they could not afford to risk delay and sent the money

home themselves, paying the cost of transmission. In the case to which I am referring there was nothing wanting that I could find. I sent the woman's application in. She could neither read nor write, and therefore could not be expected to decipher the regulations or to know anything about the routine. She was a woman well on in years and being illiterate would know little about things of this kind. I sent her simple application in. They sent us back forms in due season. I said to this woman, who was a Roman Catholic: You take this affidavit to your bishop and this to the chancellor of the diocese and this to your own rector and this to the surgeon in charge, who knew all about the circumstances of the family. I also made an affidavit. We all swore positively and gave a detailed account of the whole thing. I never put in as much evidence in anything. I got a letter saying: We will send to the Canadian Patriotic Fund Society in Peterborough and have them ascertain what the physical and pecuniary condition of this woman is. I said if the bishop of Peterborough and myself and the doctor and the chancellor of the diocese and the rector are no good, know nothing, are a lot of hoboes, why, go on? That is what I call red tape; it is something like a story from Dickens; it reminds me of "Bleak House." Is a member of Parliament for a constituency nobody at all? Has he got such a political reputation that it is worse than none at all?

Mr. McKENZIE: It looks like it.

Mr. BURNHAM: If that is the case, the Opposition has given us such a bad name that we have been hanged, that is all.

Mr. GRAHAM: So much good accomplished.

Mr. BURNHAM: If you call that good, look at the result of it. I made up my mind that, as I was coming down here soon, I would tackle the job myself; so I went up to the Pension Office, and I must say that the conditions there were enough to deter the ordinary applicant. Suppose, for example, I had been one of those people instructed to apply for a pension. Imagine me the poor woman. She is not bound to have a friend at court, she may have no friend at all. She may think that she can rely absolutely on the Government and the intelligence as well as the generosity of its officials. So I went upstairs and announced, in a very bashful but nevertheless formidable manner that I was a member of Parliament, according to the custom in that behalf. I was very sorry to find that it did not impress the man in the slightest. They were a lot of people there, and they said: You have to take your turn. I said: I haven't got time. This was a duly authorized clerk who said this. Somebody else came along and finally I was ushered in after a certain degree of delay to a very urbane, kindly gentleman, who said: Do you happen to know, Mr. Burnham, the number of the soldier? I said: I regret to say I did not charge my memory with it, I thought you would have some way of finding out. He said: We are all at sea, we do not know anything except by the number; if we have not the number we are absolutely buried. I had a private suspicion that that is what ought to happen to them anyhow. But at last one intelligent gentleman ventured to speak up, probably at the risk of dismissal, and he said: Perhaps we could find out from the applicant's name. So he dodged upstairs and brought down the file and the applicant's name was absolutely on record, and of course the file was attached to it. Imagine the woman going there, what could she have done? She would have gone back to Peterborough and on to her little village in the country, and given up her claim, she would never have heard of it again, and would never have got one red cent.

In closing I wish to say again that this is not generosity, it is not justice. To have 400,000 men upon our pension list at $1,000 a year would mean a charge of $400,000,000 a year, that would be more than we could afford. I admit that is rather serious; but we must face these things as they are and not allow the fact that it is a serious business to impel us, directly or indirectly, to do something that is not the square thing with those men and those they have left behind them. Let us, for goodness sake, remember that these people are in our charge and that when we said: You go to the war and fight, and we will look after those you leave behind you, we meant what we said and were worthy of belief.

Hon. FRANK OLIVER (Edmonton): Mr. Speaker, if the members of the Government or those who are at the head of the Militia Department do not think that the statements placed before this House are worthy of their attention, I shall take the liberty of intruding upon the time of the House for a few minutes. I am personally interested in the matter brought to the attention of the House by the hon. member for Peterborough

to the extent that I was a member of the Committee of the House of last session which investigated the pension list hitherto in force and made recommendations upon which, I believe, the present pension list has been based. I am sensible of the fact that it is impossible to compensate by money payment those who have suffered personal or family losses from the war. We must, therefore, make our arrangements so that the burden shall be reasonable and within the ability of the public to bear it. I agreed to the pension system recommended last year, not because I believed that it was complete, adequate or fair in all particulars, but because I had hoped that, as it erred, if at all, on the side of being too small rather than too large, it would be administered with promptitude, generosity and due consideration for the fact that those who were to be its beneficiaries were citizens in the large and complete sense of the term, not merely soldiers as the word was understood in days gone by, when soldiering was a profession of itself. My experience in this matter has not been as wide as that of the hon. member for West Peterborough; not being in the confidence of the Government, I am not appealed to as I would be if I were one of its supporters. But facts have nevertheless come to my attention which compel me to support his contention that the Board of Pension Commissioners are not doing justice to those who have served their country at the front or to the people generally in their dealings with those men. As a member of the original pensions committee I protest against the manner in which the Board has dealt with the assessment and distribution of pensions. I will not bring forward the instances that have come to my attention in my own locality. I will, however, take the liberty of bringing to the attention of the House instances which have been made public by the newspapers of Toronto. Even those instances do not compare with those of which I have personal knowledge.

The Toronto Telegram, a supporter of the Government, has been so convinced of the existence of the condition of which I speak that it has given certain instances, as follows:

Pte. J. S., of the 4th battalion now earns low wages as a light munition worker. A bad gunshot wound in the chest keeps him from his old job. His gratuity was $50.

Pte. G. J. S., of the 3rd battalion had to be operated on after a year at the front. A gratuity of $25 does not quite make up for a 30 per cent decrease in his earning capacity.

Shell explosion deafened permanently Pte. S. J. B., of the 39th battalion. His earning capacity dropped 25 per cent. His gratuity was $75.

Pte. A. E. C., of the C. M. R., earns $8 a week less than he did before enlisting. Varicose veins burst while on a march at the front. His gratuity on discharge was $25.

Sergeant J. B., of the 3rd battalion, wears the Distinguished Conduct Medal. In the Imperial army that carries a permanent pension of 12 cents a day, but not in the C. E. F. His sergeant's pension is $8.50 a month, which does not pay for the specially cooked food which he needs, since part of his jawbone and a dozen teeth were carried away.

The new and improved pension scale cut Lance-Corp. N. W.'s pension from $192 to $96 per year. His heart was injured by strain and shell shock while with the Princess Pats. He now earns a little more than half what he formerly got as a ship foreman.

No pension at all for Sergt. J. W., of the 3rd battalion, despite gunshot and bomb wounds in left thigh and both feet, which reduce his earning power.

Gas poisoning permanently weakened Pte. W. F. M., of the 4th battalion, so that he can only earn half his old pay as a steamfitter. His gratuity was $50.

Pte. A. M. D., of the 3rd battalion was a skilled miner before the war. Now a strained heart and defective vision permit him only light and poorly paid employment. His gratuity was $25.

Of the same battalion, Pte. F. M., was discharged last December, and recommended for full pension. He has received neither pay nor pension for the past four months.

A gunshot wound in the leg, a crushed chest, and gas poisoning, is what Sergt. C. E. N., of the 1st battalion, got at the front. A $25 gratuity is what he got at home.

Pte. J. R. K., of the Princess Pats, received a first pension of $132 per year had substituted for it a gratuity of less than that amount. His wounds keep him from his former employment.

A gratuity of $75 went to Pte. A. E. P., whose hearing in both ears is badly affected by shell shock. He is now a temporary employee of the Postal Department at $2 per day. Before enlistment of the 37th battalion, he was a well paid glass cutter.

I quote two instances given by the Toronto Star:

Sergt. E. N. Ludlow, of the Canadian Mounted Rifles, whose shoulder is paralyzed as the result of a wound, was awarded $25 in full of all demands by the Dominion Pensions Board. He is a structural iron worker, and would now be earning $25 per week if fit. Instead, his former employer is giving him work at $13 per week, and that out of consideration for his necessities.

The case of Pte. W. Flood of the 35th, a machinist is similar. His right arm is wasting away and the same firm, out of consideration, has given him work at $5 a week less than his wages when he enlisted. He has been given a pension of $16 a month for six months. A recent medical examination cost him about one month's pension in lost time.

You will notice that in one of the lists of instances given, only the initials are

mentioned. The Toronto Globe, commenting on the instances given by the Toronto Star, says:

> The Ottawa Pensions Board has notified the Soldiers Aid Commission and other organizations that all information with regard to pensions is confidential. This is accompanied by a complaint and a warning that too much information has found its way to the newspapers.

The Globe goes on to comment very truly:—

> With regard to returned soldiers secrecy cannot be imposed, neither can it be excused nor justified. Without newspaper publicity information regarding all such cases extends rapidly to their friends' friends, and thus out through widening circles. It cannot be suppressed even if the newspapers should fall short of their duty to keep the public informed.

I have only this to say in regard to the matters I have already brought to the attention of the Government, that, however far this country may have fallen short of its duty to men who have served and who have been dealt with as has been stated in this list; however great an outrage that may be, the undertaking on the part of a creature of the Government of Canada and of this Parliament to prevent from reaching the public the facts in regard to what our soldiers have suffered and how they have been dealt with is an even greater outrage and is such an insult to Parliament and to the people of Canada that I for one take the liberty of resenting it here on the floor of this House. I will say further, that the endeavour to conceal bad faith and wrongdoing by an attempted censorship in regard to the treatment accorded to returned soldiers is just as detrimental to the interests of the country in connection with the war as that censorship, which is used for the purpose of deceiving the people of Canada as to the events at the front, and thereby protecting from criticism incompetence that is exercised at that time and place, is injurious to the welfare of the country and to the winning of the war. During the past five years we have had a good deal of government by commission; in fact, we have had too much government by commission. There may be times and occasions when government by commission is better than directly responsible government; but it is possible to have too much of a good thing, and it is possible for a good thing to go stale, and I say that the administration of the Pensions Board, on the evidence that has been placed before this House to-night by the hon. member for Peterborough (Mr. Burnham) and myself, is evidence that government by commission has gone stale, and that it is time that it should be reorganized and brought into touch with public opinion, common sense, right and justice.

I desire to bring to the attention of the House an instance of injustice to which, while it has only an indirect bearing upon the award of pensions, I am sure, Sir, you will permit me to draw attention, and I am going to dare to use in full the names of the men concerned, and I am going to dare the Pensions Board or this Government to interfere with those men in not doing them justice. When I was returning from Parliament at the adjournment in February there were on the westbound train some fifty or sixty returned soldiers. On entering into conversation with them, I found that some of them were from Edmonton, and the following facts were disclosed. John Chorley enlisted at Edmonton on February 18, 1915, as a private in the 51st Battalion. He had been four years from 1896 to 1900 in the British Army in the Royal Engineers. He was promoted to corporal in July, 1915; he was promoted to lance sergeant on May 4, 1916, and was made full sergeant on June 5, 1916, immediately before leaving for France. He went to France on June 8, 1916, joining the 2nd Battalion and acting as sergeant until wounded. He went into the trenches at once and was wounded on June 13, 1916. Captain A. M. Deschene gave Chorley to understand that non-commissioned officers going to France would retain rank. Chorley however, was notified at Buxton on January 20, 1917, when clearing for Canada, that he was reduced to the ranks. He was allowed lance-sergeants pay of $1.30 per day from May, 1916 until June 5, when he left for France, but after June 5 was allowed only private's pay of $1.10 per day. He was boarded at Taplow, (Class 2) and required further medical treatment on reaching Canada. He has a wife and two children.

Sergeant-Major R. Malloy enlisted at Edmonton on June 9, 1915, as a private in the 51st Battalion. He was promoted to sergeant and then to company sergeant-major, and on December 12, 1915, to battalion sergeant-major. He arived in England on April 1, 1916, and went to France on June 6, 1916, in charge of a draft of 800 non-commissioned officers and men of the 51st Battalion as reinforcements. At Havre, the draft of the 51st Battalion was broken up into several drafts for different battalions. Malloy went to the 14th Battalion with 200 men, and he was in charge as battalion sergeant-major until the draft joined the 14th Battalion at Popperin. All the non-

commissioned officers of the 51st Battalion were given to understand before going to France that they would retain rank, and Malloy has a letter from Colonel Harwood of the 51st Battalion stating that he would hold his rank. He was wounded on June 28, 1916. He drew pay of rank until November 14, 1916, when he was boarded for Canada. He first learned on November 14, 1916, when he got his last pay certificate, that he was reduced to private from June 6, 1916, the date of his landing in France. He had drawn on pay account as sergeant-major up to that time. His last pay certificate showed him to be $72.90 overdrawn. A battalion sergeant-major's pay is $2.30 a day, and a private's, $1.10 a day. He refused to accept the reduction of rank and pay until he ran out of funds, and was compelled to sign a receipt in full on January 20th in order to get transportation to Canada. He signed under protest. He believed he was drawing $69 a month, whereas he was only drawing $33, of which $22 was assigned to his mother. There was no entry in his pay book showing reduction in rank or pay.

These men were reduced to the ranks on leaving for France, and they will, of course, draw only the pension of a private, which is the rank they were holding when wounded. While these two men who held the rank of sergeant and battalion sergeant-major respectively, before leaving for France, get the pension of a private only, non-commissioned officers of the same battalion who remained in safety and comfort at battalion headquarters in England, retained their rank, and should anything unfortunately happen to them in England, they will receive the full pension pertaining to their rank. The men who went over to France lost their rank, lost their pay, and lost the pension to which their rank entitled them.

After the facts I have placed before the House, I do not think there is anything more for me to say. It is absolutely up to the Government to see that the Pensions Board, the creature of this Government, carries out the intent of this Parliament, which agreed informally to the pensions list as placed before the country by the Government. The list has not been embodied in an Act of Parliament yet, but only in an Order in Council, and the responsibility is therefore still more directly on the Government to see that the intent and purpose of the people of Canada, as expressed in that Order in Council, is absolutely carried out by the Pensions Board, as it certainly is not being carried out at the present time.

I wish to say one word in regard to the remarkable condition that has been revealed by the discussion between the hon. member for Peterborough (Mr. Burnham) and the hon. member for Kingston (Mr. Nickle), relative to information placed before the House by the hon. member for Peterborough which he derived from a Government publication received at the hands of an officer of the Militia Department. The hon. member for Kingston informed the House that this information was not up to date, inasmuch as certain orders in council had been passed subsequently either to the date of the publication of the book, or the date of its being received by the hon. member for Peterborough. The position taken by the Government through orders in council in regard to the responsibility of this country towards its soldiers, is a pledge on the part of the country to the soldiers, of which both the soldiers and the country are entitled to full knowledge without delay. To publish a document for circulation throughout the country such as my hon. friend from Peterborough has placed before the House, and then withhold from public knowledge modifications of that document—and these modifications have been withheld from public knowledge—is not playing fair with the country, is not playing fair with the men who are most directly affected, is not good business from any point of view, and is not creditable to the Government that is a party to it.

Mr. RICHARD BLAIN (Peel): I do not think the hon. member for West Peterborough (Mr. Burnham) or the hon. member for Edmonton (Mr. Oliver) expressed the feeling of the people of Canada in regard to the Pensions Board's treatment of returned soldiers. I represent a county from which a large number of soldiers have gone overseas; many of them have been seriously wounded, and many have lost their lives in battle. For that reason I have had occasion to come in contact with the Pension Board, and I know something of the generous provision that has been made by the Government for those who have suffered in the great struggle. In regard to the statement of my hon. friend from Edmonton as to secrecy on the part of the board, I wish to say that every time I have applied to the Pensions Board for information it has been given to me

promptly and fully; nothing has been withheld. To-night is the first occasion on which I have heard or read of any man in Canada expressing the opinion that there is anything secret about the Pensions Board. I have no hesitation in saying that the statements of my hon. friend with regard to secrecy are not well-founded, and I am sure the people of this country do not share his views.

Having many of these matters to deal with in my own county, I called a meeting a short time ago in my home town of the relatives of the soldiers, and I gave an explanation of the regulations in regard to assigned pay, separation allowance, pensions and other matters of that kind. The meeting was largely attended by people of all shades of politics, as it was entirely non-political, and at the conclusion of the meeting I asked whether there was any one present who had complaints to make about separation allowance, assigned pay or the Pensions Bill, and of the many persons present there was not one who rose to say he had not been treated promptly and fairly by the Government of the day. It would be impossible to expect there would be no complaints when the board is dealing with such a vast number of cases; some people complain for reasons of their own, but I am sure from conversations I have had and from what I have read there is very little criticism of the generous treatment the returned soldiers are receiving from the Government. Only the other day I received a letter from a friend of mine in the county where I reside. It said that a certain young man who had enlisted in October 1916, had assigned his pay to his sister. She had been complaining that the Government had paid her none
9 p.m. of the assigned pay. As soon as the matter came to my attention I immediately got in touch with the Assigned Pay Branch, and found that this young man instead of assigning his pay to his sister had assigned it to another person altogether. This young woman had been complaining for more than six months that the Assigned Pay Branch had paid no attention to her brother's order assigning his pay to her.

When it was brought to the attention of the Assigned Pay Branch they were able in a moment to explain. Instead of people going to the right quarter to get the information, which they could receive by telephone in a moment, they prefer to take up the attention of the House and spread their complaints broadcast. For my part, in such matters as this, I think it is the duty of every member in this House, instead of exposing these things in Parliament, to go to the proper sources of information. I do not say this in particular criticism of what my hon. friend from West Peterborough (Mr. Burnham) has said. He is a public man of note and importance, but I rather think he did not do himself justice in not informing himself up to date before he presented his case in the House. That is a matter of opinion, and, I am sure, my hon. friend will not complain, and he was generous enough to say that the Government were desirous of doing the proper thing.

Mr. BURNHAM: What I said was correct, and I have nothing to take back, and I regard the remark of the hon. gentleman (Mr. Blain) as impertinent.

Mr. BLAIN: I accept that from my hon. friend in the spirit in which it is given. I venture to say, however, that he could have obtained up-to-date information. He was corrected in the House by gentlemen of the Pensions Committee, but, when corrected, he was hardly willing to accept the correction, but rather preferred to read from a book that is out of date. There is only one thing I want to add, and it is this: as I understand it, the question of pensions was referred to a committee of this House last year. On that committee were members from both sides of the House. The hon. member for Rouville (Mr. Lemieux), the hon. member for Pictou (Mr. Macdonald), the hon. member for North Oxford (Mr. Nesbitt), and other hon. members on that side, including, I think, the hon. member for Edmonton (Mr. Oliver), were named as members of that committee. The pension list was revised by the committee, and the committee's report was adopted unanimously by this House. I do not think it is very appropriate for the hon. member for Edmonton (Mr. Oliver) to bring up such matters, particularly at this time, when we are making an effort as a Canadian people to enlist young men for the war. I do not think that such discussions help to increase enlistments, nor do they assist in the conduct of the war. Canada's pension allowance is the highest in the world.

Mr. J. D. TAYLOR (New Westminster): I congratulate the hon. member for Peel (Mr. Blain) on being in very great luck in his county in regard to the business of returned soldiers and their dependents. I am sorry to say that my experience has not been so happy, and I think that the gentle-

man at the head of the Militia Department would be well advised not to take it from the hon. member for Peel that everything is as it should be in connection with the Pension Branch of the Department, but that on the other hand he would be well advised indeed to give very serious attention to this matter. I have noted from the remarks of hon. gentlemen who have spoken that the pension system as it exists to-day is largely the result of the action of a committee of the House of last session unanimously adopted by the House. That being the case, it seems to me that we can afford to discuss the action of that committee without showing political feeling on either side. For my part I can plead innocence, because I was not present during that part of last session. Had I been present, there would have been at least one discordant voice in the matter of pensions and their administration.

I have risen to take part in this debate, particularly for the purpose of making a suggestion with regard to pensions. But before doing so, I should like to refer very briefly to the matter of the pay of non-commissioned officers laid before the House by the hon. member for Edmonton (Mr. Oliver). I may say from my own experience that the hon. member's complaint is by no means an isolated one. I feel just as strongly as he does that these non-commissioned officers should receive a protection from the Militia Department which is now lacking. I agree with the suggestion of the hon. member for Peel (Mr. Blain) that it is not in the interest of recruiting in Canada, it is not in the interest of the raising of an army, to ventilate more publicly than is necessary grievances in connection with soldiers' services. But we owe a duty to the gallant men who have gone to the front, and part of that duty is to see to it that complaints which they are not in a position, under the terms of their service to voice, should be voiced in this Parliament, not necessarily by way of complaint —not at all by way of complaint merely, or warning people of the grievances they may expect—but in the hope that, being brought to the attention of the Government, these causes of complaint will disappear. I have already brought to the attention of the Minister of Militia specific instances of the nature of those referred to by the hon. member for Edmonton, and he has promise. examination into these cases with a view to putting an end to the cause of complaint, if he finds, as I have no doubt he will find, that the complaints are well-founded. For-

tifying what the hon. member for Edmonton says, I should like to lay before the Government what happens to the non-commissioned officers when they arrive in England from Canada, taking my own battalion as an example. As my battalion was found fit for the trenches, within two weeks after it arrived in England, I think I can properly say that I took to England a very fine battalion, complete in every detail, and with as well-qualified a body of non-commissioned officers as could possibly be got together. I have been a soldier for thirty-eight years, and I know something about non-commissioned officers. I had special pride in the quality of the men I had been able to get together, and the pains they took to make themselves efficient by taking courses wherever those courses were provided throughout Canada.

We arrived in England flushed with pride at our efficiency hoping that that efficiency would carry farther than an incomplete battalion might expect to be carried at that stage of the war. Judge of our disappointment, Mr. Speaker, at the very first message I got upon reporting to Brigade Headquarters at the camp where we arrived in England. The Brigadier had made no inquiry at all about the qualifications or efficiency of my battalion, and was in absolute ignorance concerning it, so much so that he greeted me with the salutation: "Oh, you are only 700 strong," just three-quarters of a battalion—while we were a complete battalion of 1,000. His first instruction was: "All your non-commissioned officers will revert to the ranks immediately and become privates." It is one of the terms of enlistment in the Canadian Expeditionary Force that non-commissioned officers are appointed only provisionally. That is a wise provision and is not taken exception to at all by commanding officers or non-commissioned officers themselves. They are instructed that as the battalion develops and as the result of the several courses they are to take are made known, it is quite likely that better men will come to the front than those on whom the stripes have been conferred at the outset, and as it is serious business in which we are engaged and not compliment, the less efficient man has to give place to the more efficient when the more efficient is discovered. The non-commissioned officers accept the condition that if they prove unworthy, or not so worthy, of their stripes than others they are to lose them. But, that does not contemplate a wholesale re-

version to the ranks such as my hon. friend from Edmonton (Mr. Oliver) indicates and such as I refer to in the case of my battalion. I feel quite sure that the department and Government in Canada have not been made aware of the conditions and that they have been quieted when complaints were made to them, as I made a complaint, by the statement that there are too many non-commissioned officers in England and that some of them must give way. I know some must give way, and that they expect to give way, but not in the inconsiderate manner to which I refer. The non-commissioned officers qualify very largely at their own expense. They make their choice in joining according to the prospect of stripes in many cases. Where there are two battalions competing in some localities for recruits, a man will look over the respective battalions and find a place in some battalion which he thinks his talents qualify him to fill. He goes there and gets it and is entitled to hold it on his merit during the war and to draw the pay and emoluments which rightly go to him for the discharge of the duties of that position. To take it away without any excuse at all except that "we have the power," imposes a hardship on the soldier to which he should not be subjected. I brought this to the attention of the Minister of Militia (Sir Edward Kemp) a short while ago and he informed me that he would institute an inquiry. As a result of that inquiry I am hopeful that there will be a change.

With reference to the subject of pensions, it seems to me that the Pensions Committee of this House, in drawing up the scale to which so much exception was taken at its very inception, altogether ignored the fact that this war is not the same as any other war. On every other occasion when British armies have been called for, the service has been limited. There has been a rush to arms, actual competition for the honour, and distinction of serving in the army. At the outbreak of this war the same was the condition in Canada and it was natural that at that time no attention should be paid to the matter of pensions. What had been before was supposed to be good enough for the present occasion. But, with the development of this war of science, in which men are being called upon for a hundred times the service that any soldier was ever called upon to give in the history of the world, it seems to me that the nation should rise to the occasion and deal with these soldiers in a manner commensurate with the service they give and not in a manner based on the very limited service that any soldiers in the past have been called upon to give. I am probably extreme in my view, but I put it forward seriously and with the conviction that when these men come back from the front and commence to make their influence felt in the communities of Canada, this view will be put forward seriously from very many quarters. This view is that our duty to the soldier who is maimed, or to the dependents of the soldier whose body lies in France, is not to give them so much charity, barely sufficient to keep body and soul together, and to make them forever the lowest class in the community in the way of the comforts of life, but to place the soldier himself, if he comes back maimed, in a position of equal comfort to that which he occupied when he responded to our call to service or when, as we intend to do now, we laid forcible hands on him and took him into the service. If he survives the spirit of humanity should cause us to feel that nothing is too good for that man and that the least we can do is to make him financially as well off as he was before the war; or, if that man does not return at all, and his dependents are bereft, they should in their turn be put in just as good a position so far as the creature comforts of life are concerned as they would have been if their provider had not been patriotic enough to give his services to the country. This is plain compensation for the soldier's services. I am asking for compensation such as I would be called upon to give to a man who was in my employ. These men are in the employ of the state and the state owes a duty to them, the duty of the employer towards his workmen in civil life, and owes it in a larger sense because of the terrible hazards which they take while they are in its employ. The answer to that will be: Look at the terrible burden you will impose on the state. I admit the burden that must be borne, but if we do not restore the man or his family then that man or his dependents are called upon to carry for the rest of their natural lives the burden that we have refused to assume; and it will remain so long as they do carry it, in my estimation a reproach to the community or state which permits it. If there is an awful burden it is better that it should be divided amongst twenty or thirty able-

bodied men or prosperous families than that one maimed man, or one bereft family should be allowed to bear it alone.

It seems to me that we would most easily dispose of the problem of our pensions and our Pension Board by throwing the whole present scheme into the discard and starting afresh on a new basis of even-handed justice to the men who have served, and who no doubt will serve us so splendidly, and to the helpless ones from whom we have taken the services of their bread-winners.

Hon. J. D. HAZEN (Minister of the Naval Service): When this war broke out there was a Pension Act in force in Canada with a pension scale, and the Act was administered by the Department of Militia and Defence. It was felt that the provisions of that Act were not of a character that met fairly the situation that arose when Canada sent troops overseas and took part in the European war that is now raging. The matter was brought up in this House and discussed. It was discussed last session during the debate on the Address in reply to the Speech from the Throne. My hon. friend from Edmonton (Mr. Oliver) spoke, and I made some reference to the subject myself; and, partly as a result of that discussion, the Government submitted the existing pension scale to a committee of this House composed of gentlemen representing different political views. That pension scale was considered by the committee, of which I had the honour of being elected chairman. The other members of that committee were, Mr. Nickle, from Kingston; Mr. Green, from British Columbia; Mr. Scott, Mr. Macdonald, of Pictou; Hon. Mr. Oliver, from Edmonton; Mr. Claude Macdonell, from Toronto; the Hon. Rodolphe Lemieux, of Rouville, and Mr. Nesbitt, from North Oxford. The committee called witnesses, had before it representatives of the Militia Department, representatives of labour and other organizations in this country, and private individuals who had been taking a deep interest in this matter and had to some extent been forming public opinion on the subject. The committee gave to the consideration of the matter the very best attention it was possible for it to give, and the result was that it made a report to this House signed by every member of the committee and unanimous on all but one point; my hon. friend from Edmonton (Mr. Oliver) differed from the rest of the committee with regard to having one pension rate for men whether they were married or single. That report was submitted to this House and discussed here, and without a single dissenting voice it was approved, it was recommended to the Government, and we were asked to see that effect was given to it. Perhaps I should not be wasting time if I referred to a few things that were said by members of the committee at the time the report was submitted to the House. In the first place, in explaining the matter to the House, I said, among other things:

> The changes which we recommend involve a very considerable increase in the amount that the country will have to pay for pensions. Under the scale in force at the present time, it is estimated that for a force of 100,000 men of all ranks in the field for one year the pension list of Canada will amount to $5.481,500. It is estimated that, under the pension laws which we recommend, the total pensions for a similar force in the field for a similar length of time be $7,184,181 a year. So hon. gentlemen will see that, based on the estimate of a force of 100,000 men in the field for a period of one year, there is an extra cost under the scale we propose of $1,702,681.

This is the pension list that is in force at the present time For a force of 400,000 men in the field for a year, therefore, it would amount to about $29,000,000. That estimate is made up, as my hon. friend from Edmonton (Mr. Oliver) will recollect, from figures we obtained from the War Office showing what the casualties usually were in proportion to the number of men actually engaged in active service. That report came before the House and nearly all the members of the committee had something to say about it. My hon. friend from Pictou (Mr. Macdonald) said:

> In my experience in this Parliament I have never served on a Committee in which every gentleman on both sides seemed to be actuated by so sincere a desire to arrive at the best solution of a very important question as were the members of this Committee.

Similar statements were made by my hon. friend from Rouville (Mr. Lemieux) and the other members of the committee, all bearing testimony to the way the committee had tried to discharge their duties, to the harmony that prevailed, and to the fact that, from first to last, there never was a suggestion made by members of the committee on either side of politics that would for a moment imply that they had any political consideration, but that their sole desire was to arrive at a pension scale that would be fair to the dependents of the brave men, and to the men themselves, who were fighting the Empire's battles at that time and who are fighting the Empire's battles to-day.

The Prime Minister made a speech in reference to the matter, because the committee recommended that effect be given to this report as soon as possible. It was suggested that it might be possible to give effect to it by legislation at once, and the hon. member for Pictou (Mr. Macdonald) expressed regret that that had not been done. The report was discussed at the very close of the session, and the Prime Minister used words to this effect, that the Government had ample power under the War Measures Act to pass an Order in Council that would at once bring into effect and into operation the report of the committee, and that it would be better, in his opinion, to do that rather than to pass legislation because the experience of the commissioners in administering that report might lead to the conclusion that changes and amendments were desirable, and these could be embodied in a Bill dealing with the whole matter at the following session of the House. As a result of that report, the Government, at a very early date after the close of the session, passed an Order in Council under the provisions of the War Measures Act which brought the new pension scale into force, and without any alteration whatever, brought into effect the recommendations contained in the report of the committee of this House.

Among other recommendations in the report was one that a commission should be appointed for the purpose of administering this whole scheme of pensions. Up to that time the pensions had been administered by the Militia Department. To-day the Minister of Militia and the Militia Department have no more to do with the administration of the Pensions Act than has my hon. friend from Edmonton, or any other gentleman on that side or this side of the House. It is absolutely incorrect to refer to the Pensions Commission as a branch of the Militia Department, or as in any way connected with the Militia Department of this country, as some hon. gentlemen have done to-day. This is in consequence of the report of the committee at the last session. It was felt that in dealing with a matter like pensions the very suspicion of any political interference ought to be removed; that, therefore, the Pensions Act should not be administered by any department of Government, and that the Government should appoint a commission with independent powers who would administer the Act irrespective of political considerations. Let me read some of the recommendations of the Committee which have been made effective by Order in Council:

> That three persons, to be known as the Board of Pension Commissioners hereinafter called the Commission, be appointed to hold office, during good behaviour, for ten years unless removed for cause, and to this commission be entrusted the consideration, determination and administration of all military and naval pensions.

The report further said:

> That the Commission have full authority and responsibility to deal with and determine all matters pertaining to pensions, and from their decision there be no appeal; provision, however, should be made for any complainant so desiring to present his case, either personally or by counsel before the full commission sitting for the purpose of hearing the complaints of those who may have been dissatisfied with awards given in the ordinary course of administration.

In introducing the resolution recommending that the report be seriously considered by the Government, I used these words:

> The object which every member of the committee had in view was the establishment of a board that would be entirely removed from all considerations of a political character, and with that object in view they have provided that there shall be no appeal from the decision of the Board of Pension Commissioners, either to the Government or to anyone else. The only appeal that will be allowed is that of a soldier who is dissatisfied with the pension that has been awarded him in due course, on the documentary and other evidence that is produced in support of his claim, and that appeal will be heard by the full Pension Board; but from the decision of that board there shall be no appeal whatever.

The hon. member for Edmonton and other hon. gentlemen who were members of the Committee will remember that, after fully discussing the matter from every standpoint, the Committee finally and unanimously decided that the Pensions Board should be the final court of appeal. It was felt that if there should be an appeal from the decision of the Pensions Board to the Governor in Council, political considerations might have weight, and, whether those considerations had weight or not, there would be a suspision that the pensions received by the men were subject to the influence of political considerations. We came to the conclusion, therefore, that an independent Pensions Board should be appointed. Having by Order in Council adopted in its entirety the report of the Committee, the Government appointed a Pensions Board consisting of three gentlemen who are now administering the Pensions Act without any interference from the members of the Government, the Militia Department having not a word to say with regard to the matter. The gentlemen appointed were Mr. J. K. L. Ross, of Montreal, Major Todd, of McGill University, and Mr

Labatt, of London, Ontario. What is the ground for complaint? The Government carried out in good faith and without alteration the report made by the joint Committee, which met with the unanimous approval of members of the House at the last session. If there is any fault, it is, in the first place, that the report of the Committee did not make adequate provision. That is a matter of opinion. The Committee brought its best judgment to bear upon the question, and as a result they recommended the scale which is now in force. If the Committee erred, the mistake can be corrected. Either that is the grievance, or it is that the Pensions Board is not capable of performing properly and efficiently the duties that have been entrusted to it. I have no reason for believing that such is the case. I represent a large constituency from which a great many men have gone to the war. A great many men have gone from the province of New Brunswick, outside of the constituency which I represent, and I am satisfied that if any persons in my province felt themselves aggrieved with regard to the administration of the Pensions Act, I would hear about it. Soon after the Pensions Board was appointed and before the work was well organized, complaints came to me from representatives of men who were entitled to pensions. Since the Board has completed its organization, such complaints have not reached me. I think that a good many of the complaints at the outset were due to the fact that the organization had not been completed and that the machinery had not commenced to run smoothly. If the Pension Commissioners are not capable of administering the Act properly, then the Government erred in judgment when it appointed them. I do not, however, think that this is the case; I believe that the administration of the Act will proceed smoothly and successfully in the future. I cannot believe that men of the intelligence of the Pension Commissioners would say that the work of that body was of such a confidential character that information as to what they are doing should not be furnished. The fullest information should be furnished, and I should like to hear what they have to say on that subject before coming to a conclusion which would be condemnatory of their methods.

We must get away from the idea that the Government has anything to do with the administration of the pension fund. Following out the desire of the Committee and of this House, the matter has been taken entirely out of politics and the pension fund is administered by that Commission alone. The members of the Commission are not infallible; they may make mistakes. On the other hand, things may have been overlooked by the Committee in the report that they made to the House last year. The right hon. leader of the House said that in all probability the Pension Commissioners would find in the course of their work that certain things would need correction or alteration and that the time to deal with such matters would be at this session of Parliament, when it would be desirable to give force by legislation to that to which force has been given hitherto simply by the provisions of Order in Council. I understand that the members of the Pension Board have, in connection with the administration of the Act, found a number of matters which they think should be remedied and are of the opinion that certain changes in the pension scale are desirable. From what I have heard, I approve of some of these changes and disapprove of others. Some of the matters in respect of which a change is suggested were fully discussed by the committee; they are matters of judgment and opinion upon which the Committee came to an unanimous decision, which, however, is different to that which has been arrived at by the Pension Commissioners. It is suggested also, and properly so, that the Pensions Act to be introduced at this session should practically consolidate the different Pension Acts that are now on our statute-book. The report which the Committee made last year and which now, in consequence of Orders in Council passed, has all the force of a statute, applied only to members of the overseas expeditionary force. Another Pension Act applies to members of the militia and still another to the members of the naval service. It is desirable that these Acts should be consolidated and all administered by the Board of Pension Commissioners. There are other changes, which, as I say, are worthy of consideration.

I might state to the House that it is the intention of the Government to introduce a Bill embodying the provisions of the report made by the Committee last year, embodying some of the changes recommended by the commissioners and providing for the consolidation of the different Acts. While this Bill will, in a sense, be a Government measure, the Government does not wish it to be considered for a moment that it is presenting that Bill to the House with a

desire to crowd it through the House without its receiving the very fullest possible consideration, because it is extremely desirable that in this matter of pensions there shall not be any party controversy and that a conclusion shall be reached that will commend itself to both sides of the House, because we regard this whole pension scheme as too sacred a matter to be used as a football for party purposes as might be the case. After that Bill is introduced, it is the intention of the Government to move that it be referred to a committee of this House, constituted as the Committee was last year of members from both sides, so that they may consider all its provisions; they may, if they so desire, bring before them the members of the Pensions Board who have been administering the Act; they may, if they care to, bring before them people who have been dissatisfied with the administration of the former measure, so that there may be the fullest possible consideration of the whole question and a conclusion arrived at that will be satisfactory to the country, and satisfactory, as far as possible, to the dependents of those men who have fought our battles and who are fighting our battles at the present time. No man can foretell the duration of this war, and if it continues and if we keep overseas as large an army as we have at present, the amount of pensions involved will be simply enormous, and for years to come a tremendous sum will have to be paid out of the treasury of the country for the purpose of providing these pensions even on the scale as it is at present. That, however, is neither here nor there; the disposition of every one in the country is to treat fairly, properly and with generosity the men who are fighting the battles of the Empire and the battle of liberty and civilization at the present time.

Mr. THOBURN: Is it a fact that the pensions which are being paid by the Dominion Government are higher than those paid by any other country in the world?

Mr. HAZEN: Yes, I think that is a fact. I think the pensions scale, taking it all around, that was laid before Parliament last year, reported on by the Committee and adopted by Parliament, is higher than the pensions scale in any other country with the exception, perhaps, of Australia, in which the pensions are a little higher in some cases and a little lower in others, there being some difference in the scale.

I will not refer to the other matters that have arisen in this debate. I rose only in order that there might be a clear and distinct understanding as to how the matter stood. I do not want the impression to go out to the country that this Government is responsible, either for the pensions scale or for the administration of the Pensions Act, although, as a member of the committee of last year, I am willing to take my full share of the responsibility, and to say, in common with my fellow-members of the Committee, that we tried to do our duty and what we considered was in the interest of the overseas forces and of the country. At this session of Parliament ample opportunity will be afforded to have the matter discussed by the same committee, or by another committee if it is thought desirable that the Committee should be changed.

Sir ROBERT BORDEN: Mr. Speaker, my hon. friend the Minister of Marine and Fisheries has placed the position of the matter, so far as the Government is concerned, very fully before the House. The idea last session which was conveyed to the Government, and which seemed to have a great deal of support behind it in the House and in the country was that the system of pensions, whatever it should be, ought to be administered by a commission that was not directly under the supervision or control of the Government. It was not suggested, so far as I can remember, that there had been, up to that time, any political interference in the granting of pensions, but it was apprehended that political pressure might be exercised against a Government, and, therefore, in the interest of the people of the country, in the interest of the men entitled to pensions, and in the general public interest, it was thought it would be better if the matter were removed from the control of the Government. We accepted that view; we placed the consideration of all these matters in the hands of a committee of five hon. gentlemen from this side of the House and four from the other side, and that committee brought in their report. Personally I think I ventured to offer some suggestions with regard to the terms of the report. I am not sure that the report commended itself in all its details to my own judgment; but it was a unanimous report of the committee; it received the unanimous endorsation of the House, and the question was as to how it should be enforced. At that stage of the session, we

had not time to pass the necessary legislation, so we undertook to bring the recommendations of the committee into force by Order in Council and to introduce legislation at this session. We propose carrying that out.

I would like to point out to the hon. member for Peterborough (Mr. Burnham) and to the hon. member for Edmonton (Mr. Oliver) as well, that a good many of the matters to which they have directed the attention of the House have been under consideration for many weeks past by a committee of this House. It is impossible for me to refer to the proceedings of that committee, even if I had them before me, because it would be against the rules of the House to do so; but I think I am justified in the statement that some, at least, of the instances, to which allusion has been made here, have already been investigated very fully and thoroughly by that committee. I am not disposed to minimize any of the considerations that have been brought forward; I do know, however, within my own experience, that whenever allegations of a very serious character with regard to one or another member of the Canadian Expeditionery Force have been brought to my attention and I have investigated them, I have in a good many instances found that the representations made to me in the first place were not borne out when I got to the root of the matter. I shall not be surprised if, when that report of the committee is presented to the House with the evidence on which it is based, the same result may be found as to some of the cases that have been alluded to, but I merely say this in passing and with regard to the whole subject, I have no desire to restrict debate. So far as a portion of these matters are concerned, they have already been investigated by a committee which has not yet reported. So far as the other portion is concerned, they must be under the consideration of a committee of this House as soon as a Bill is brought down which is to carry into effect the recommendations made by the committee of last year, with such further provisions as may be submitted to the Government by the Pensions Board and considered as appropriate to include in the legislation to be introduced. Therefore, the whole question either has been investigated or will be under investigation by a committee to be appointed before the session is over.

So far as other matters are concerned which may particularly affect the question of military administration, brought forward by my hon. friend from New Westminster (Mr. Taylor), I have no personal knowledge of many matters of administration in connection with the military forces, which is not a surprising thing considering the large forces that we have enlisted and the complexity and variety of the questions that are continually arising. I have no doubt that these matters will be taken fully into consideration by the Minister of Militia and Defence. I appreciate the force of the considerations which have been addressed to the House by the hon. member for New Westminster (Mr. Taylor). There is, however, perhaps one consideration which we ought to endeavour to keep before us in dealing with all these matters of administration beyond the seas. Sometimes there are occasions of very great urgency when reinforcements must be sent at once to the front, when it is a question of throwing men in to make up losses or to hold a position against which the enemy is driving with all his force. It must be apparent that under such conditions, which must continually arise in the greatest and fiercest war the world has ever known, sometimes there is not a great deal of time for dealing with administrative matters in a very deliberative way. The problem that confronts the men who are responsible at the front is to get reinforcements there at once, without the delay of one unnecessary moment, to get them there instantly in order that the line may be held and the enemy kept back. I do not say this for the purpose of minimizing the force of anything my hon. friend from New Westminster has said; I think that what he has urged must be taken into account and dealt with in some satisfactory way, if possible. But conditions overseas are from time to time very urgent. I was there myself during three or four weeks when there were great losses at the front, when counter attacks were coming all the time, when the important thing was to get the men over there, whether or not they went over as the units in which they originally crossed the ocean; —the important thing was to get them over there so that the enemy could not recover the ground we had taken from him. Under the circumstances, in view of the approaching report of the committee which has dealt with a portion of this question, and in view of the impending reference to a committee of this House of other matters which were referred to this afternoon, I

think this debate might very well be adjourned, and I will undertake to have it resumed, if necessary, after the report of the committee if submitted, or after the committee to which I have alluded has been constituted. In any event, the subject could be discussed very thoroughly upon the report of the committee which is shortly to present its findings to the House.

Mr. BURNHAM: As there has been a pretty full discussion, I should be glad to withdraw the motion.

Sir ROBERT BORDEN: I was going to propose the adjournment of the debate, but as my hon. friend has accomplished the object of his motion, perhaps the House would have no objection to the motion being withdrawn.

Mr. GRAHAM: As the subject can be reopened later, I think there would be no objection to withdrawing the motion.

Sir HERBERT AMES: The committee that has been referred to will doubtless make its report shortly and will lay before the House not only its findings, but all the printed evidence, and on the presentation of that report there will be an opportunity for discussing any of these questions. As chairman of that committee, I would say that we are indebted to many hon. members for calling our attention to certain specific cases. I think there have been over 50 specific cases where soldiers or others acting on their behalf have represented that they had a grievance, and in every case the grievance has been thoroughly investigated. I think the case brought up by the hon. member for Edmonton has already been dealt with by the committee and will be found in the evidence. Before the committee complete its findings, if any member of the House wishes to have the case of any returned soldier investigated the committee will be only too glad to go into
10 p.m it thoroughly, and the case will appear in the evidence.

Mr. W. F. NICKLE (Kingston): The hon. member for Edmonton has referred to certain Orders in Council which I mentioned this afternoon as being secret. He seemed to think they had been passed after this little red book had been printed, and without the attention of the people at large being directed to them. Both the Orders in Council to which I referred this afternoon were published in the public press, and if they do not appear in this book the reason is that one was passed after the book was published and the other dealt largely with the treatment of soldiers by the Military Hospitals Commission, which is not related to the subject matter with which this book deals.

Motion withdrawn.

SHIPMENT OF STEEL RAILS TO FRANCE.

On the Orders of the Day:

Hon. FRANK OLIVER (Edmonton): I wish to draw the attention of the Government to a question which I asked on May 16 as follows (Hansard p. 1542):

> How many tons of steel rails taken from sidings on the Transcontinental Railway have been shipped from Canadian Ports to France, to date?

The answer was:

> It is not in the public interest that this question should be answered.

May I give what appears to me to be good reasons why I was entitled to ask this question? It is because the rights of property and interests of a very large number of my constituents, several thousands in fact, are involved in the proposed action, and in view of the present condition of transport of supplies across the Atlantic, it appears to me that as the representative of these people in the House I have a right to know whether it has been found possible to transport the rails overseas that have already been taken from the Transcontinental. I think the House is entitled to this information before the Government proceeds to destroy the property value of my constituents by taking up the rails on the Grand Trunk Pacific. We are all anxious to win the war, but the taking up of rails, unless they can be transported, will not help to win the war, but it will injure my constituents. That is the reason why I ask the question, and why I desire to press for an answer.

Sir ROBERT BORDEN: I shall look into the matter to which my hon. friend has directed my attention. It might be very much against the public interest to give information as to the actual shipment of rails across the Atlantic in the conditions under which transportation has to be carried on. My hon. friend himself, I think, will appreciate that. I do not know that I can say more about it at the moment, but I will speak to the Minister of Railways and Canals about it, and perhaps he can give the hon. member privately information upon the subject that will be of service.

Mr. OLIVER: With permission, I desire to add a word. It is not necessary, in answering the question I asked, to give information that would be of damage to anybody. The only question is, has it been possible to make transportation of the rails already taken—are they in service now? Is it possible to transport the rails that are now being taken up or are about to be taken up? We have a right to know that, not privately but publicly.

Sir ROBERT BORDEN: I am afraid I cannot give the information at the moment.

Mr. GRAHAM: May I be allowed to add, in to-night's paper it is stated that certain material is being taken up from the Canadian Northern as well as from the Grand Trunk Pacific. Will the Minister of Railways be ready to tell us to-morrow if this is authentic?

CANCELLATION OF A MAIL CONTRACT.

On the orders of the day:

Mr. E. FORTIER (Lothbinière) (translation): Mr. Speaker, I put upon the Order paper a motion, on the 30th January, for the production of papers and correspondence concerning the cancelling of a mail contract.

Since the House resumed its labours, on the 19th April last I had the opportunity of seeing twice the acting Postmaster General in that connection and he gave me the assurance that these papers would be brought down as soon as possible. I have not got them yet and I should like to know when the Minister will give me satisfaction.

Sir ROBERT BORDEN: I will direct the attention of the acting Postmaster General to the matter to which my hon. friend has just alluded.

LABOUR STRIKE IN WESTERN COAL MINES.

On the Orders of the Day:

Mr. W. A. BUCHANAN (Medicine Hat) I would like to get some information from the Minister of Labour (Mr. Crothers) about the coal strike situation in western Canada. I have here a despatch sent from Ottawa on the 19th instant—last Saturday—in which this statement is credited to the Minister of Labour:

> "If negotiations for a settlement of the difficulties in the western mining areas prove unavailing, the mines won't be shut down. The Government will see to it they are run all right."

I understand also that a statement has been sent out to the Western press to the effect that the Minister of Labour has intimated that if the strike is not settled the Government will operate the mines. Further than that, I read a statement of one of the representatives of the Miners' Committee that the strike was due entirely to the high cost of living, and the difficulty lay in getting a settlement with the operators in that matter. They said that if the Government would regulate food prices, they were prepared to make an agreement and come to terms with the operators. They say it is up to the Government to control food prices. I have had a wire from Lethbridge stating that steam ploughing outfits which should be carrying on the Government's greater production campaign, have had to cease operations—they cannot operate because there is no coal. The situation is very serious and demands the serious attention of the Government. The trouble has been carried along for six or more months, and there seems to be no prospect of a settlement in sight; in fact, the situation is more serious than at any time since the trouble commenced.

Hon. T. W. CROTHERS (Minister of Labour): I am afraid my hon. friend from Lethbridge (Mr. Buchanan) is not familiar with the facts when he talks about there having been trouble for six months. There has not been trouble for six weeks. He is aware that the operators and the representatives of the miners, following out the provisions of the agreement which was to expire on March 31, met about the beginning of March to try to negotiate a new agreement to be effective on and after April 1st. While they were negotiating, an accident occurred at the principal mine, one of the mines of the Crowsnest Pass Coal Company, and 38 miners were entombed. Their fellow-workers did not like to go to work while the men's bodies were buried in the mine. (I am sorry to say that their bodies have not all been recovered even yet). The negotiations were more protracted than the men expected, and some of them became impatient and ceased work. The operators and the representatives of the miners finally reached an agreement which, under the rules of the United Mine Workers of America to which organizations most of the miners belong, would go into force only if ratified by a vote of the miners themselves. That vote was taken, being completed some time between the 5th and the 10th of this month. Then it was discovered that the majority of the miners had voted against the acceptance of the

agreement made by their representatives and the operators. Since that time we have been giving the most careful consideration to the situation. We are not unmindful of the necessity of keeping these mines working, and have been doing every thing possible to secure a resumption of work. I am now in a position to tell the House that I hope—yes, I expect—that within the next forty-eight hours, work will be resumed in all the mines. I do not think it would be in the public interest to tell my hon. friend the details of the efforts that have been made and which, I am satisfied, will prove successful during the next day or two.

ARBITRARY FIXING OF PRICES.

CRIMINAL CODE AMENDMENT.

Mr. W. E. KNOWLES (Moosejaw) moved the second reading of Bill No. 21, to amend the Criminal Code. He said: When I asked the House to permit the first reading of this Bill, I gave a brief explanation of its purpose—to prohibit in future the setting of a price by the vendor of an article arbitrarily fixed and binding upon the purchaser. For example, manufacturers of certain goods, very largely manufacturers of patent goods, will sell to the jobber at a certain price, calling upon the jobber at the same time to sign a contract that he will not sell for less than a dictated price. As a consequence, competition is removed with regard to that article. My point is that the consumer has a right to the ordinary benefit that comes from competition between different merchants, and in so far as you have a dictated price for an article you take away from the consumer that benefit and the industrious, vigilant merchant selling the goods becomes little more than the medium of passing the article along at a fixed price, just the same as you would sell a postage stamp. I wish to establish the fact that there is, to a very substantial extent, in Canada a system of this kind, that a very great many manufacturing houses have adopted the system of the dictated price at which the jobber and the middleman are permitted to sell to the retail dealer and the retail dealer to the public. I am going, for the purpose of putting them on Hansard, to quote extracts from a few of the price agreements, or selling agreements of the principal houses, the names of which are well known to hon. members, and it will be noted that the terms of the agreements are, in nearly all instances, practically identical. The first one, and I take it merely because it is on the top, is that of the Borden Milk Company of Montreal. I believe this is an American concern. The first provision of this agreement is that the purchaser shall not sell at any price less than the price dictated by the manufacturer, and the price may be changed by the manufacturer. The second is that he will not sell to any person whose name may be on a prohibited list. The prohibited list is supplied by the manufacturer from time to time. The third provision is that the manufacturer may call upon the purchaser to give a sworn statement at any time that he is obeying all these injunctions and on his not doing so there are certain penalties and liabilities for damages.

Mr. OLIVER: Does that company operate in Canada?

Mr. KNOWLES: Yes, the Borden Milk Company, Limited, of Montreal. I believe it is really an American concern. It operates in Canada. I think it controls practically all the condensed milk interests except one in Canada. It is certainly a tremendously large concern. Here is the way the agreement reads. I shall not read all of it, but it provides that the purchaser must not sell

—at less than the prices set forth in the price list attached hereto, or at prices in force from time to time, or on better terms than 30 days net, no discount for prepayment.

The next clause deals with the trade discount:—

It is further understood that trade discount from Borden Milk Co, Limited is wholly contingent upon the margin of profit from other manufacturers of similar products not being less, and the terms of protection as to the keeping of prices being no less favorable. This includes private or special label goods as well as other competitive lines.

It is also agreed that upon request of Borden Milk Co., Limited, declarations covering the details of any sale of Milk Products will be furnished, same to be sworn to by one of our Principals and salesmen specified. Failure to comply with this condition will be considered a breach of contract.

The man signs this.

I have a statement here which will interest a great many hon. gentlemen present, and it is a very important one, too. It deals with tobacco. A letter was sent to me by Mr. E. A. Morris, a wholesale tobacco dealer in Vancouver and a reputable man, who writes me as follows:—

March 21, 1917.

W. E. Knowles, Esq., M.P.,
House of Commons,
Ottawa, Ont.

Dear Sir: —

I have noticed an article in our local paper re trade agreements for which you are en-

deavouring to amend the Criminal Code, the following information might be of assistance to you.

In October 1915, I was obliged to enter into an agreement (copy of which is herein enclosed) with the Imperial Tobacco Co. of Canada whose head office is in Montreal, not to sell their goods or any other manufactures of like goods below the various list prices. Later I was advised by their agent in this city that it was the intention of the said Company to place my travelling salesmen, who sell from Auto wagons, upon their oaths that they were keeping to this agreement. Now I feel that this is a direct interference with one's liberty who I contend should be permitted to carry on his business in quiet enjoyment. The object of this agreement was to stop competition among the Tobacco Jobbers and wholesalers, also to stop the giving of discount and general competition of other manufacturers. A manufacturer might have the right to dictate the price of his own manufactures, but why should he dictate the price of other manufacturers.

In the case of the Eddy & Co's agreement they say you must not handle like goods of other manufacturers. That very agreement stopped the going on of a competition match manufacturing business here. Who would buy stock in a concern which was barred from doing business with the wholesalers and jobbers? Consequently the enterprise fell through. Why should I or anybody else be dictated to, as to what I should charge for another man's goods, It seems to me that any one licensed to do business or manufacture in Canada should be compelled to sell to any one of the trade who is ready and willing to pay the list price.

Trusting this information will be of benefit to you.

I remain
Yours truly,
E. A. Morris.

He encloses a copy of the Imperial Tobacco Company's contract, a part of which is as follows:—

We understand this agreement is for the sole purpose of eliminating price cutting and giving special discounts, and the object of same is the handling of the lines referred to on a fair and equal competitive basis.

It is also understood that in the event of a jobber violating this agreement, and thereby losing his regular jobber's discount, no jobber will be permitted to supply him with tobaccos and cigarettes at less than retail price.

I have a letter which concerns me as a western man particularly and which I shall read. It is from the Merchants' Consolidated, Limited, of Winnipeg, a syndicate of some 500 retail merchants throughout western Canada, stating that as the Merchants' Consolidated, Limited, they are not allowed to buy a great many goods because they will not sign these price-maintenance agreements, which are dictated to them by the manuacturers. The letter, which is addressed to myself, is as follows:—

Dear Sir:

We have before us copy of a Bill introduced by you before the House of Commons at Ottawa, and marked "Bill No. 21", an Act to amend the Criminal Code No. 498 and also the comments on this Bill in a Bulletin issued by the Retail Merchants Association of Canada.

Our company, Merchants Consolidated Limited, is a joint stock company, incorporated under the laws of the province of Manitoba, registered in the province of Saskatchewan and also the province of Alberta. This Company is composed of some 500 retail merchants and we have reason to believe that they do not concur in the statements made in the Bulletin issued by the Retail Merchants Association of the Dominion of Canada.

They state that they do not like this bill.

Merchants Consolidated Limited is desirous of having just such legislation enacted as your Bill provides for, for the very reason that there are a number of Associations, such as the Grocer's Guild, and the Hardware Jobbers Association, etc, in the Dominion of Canada, who seek to have a re-sale price or price maintenance contract kept by the manufacturers, and the reason for this seems to be that they do not wish the manufacturers to sell to any Organization or Association who may not maintain that re-sale price, and in nearly every case that re-sale price carries with it an excessive middleman's profit.

Merchants Consolidated Limited has only been organized some eighteen months and already this Company has saved to its shareholders in discounts many times over their investment in the Capital Stock of the Company. The object for the formation of this Company was to enable the retail merchants of Western Canada to buy in a consolidated way to meet Mail Order competition by going direct to the manufacturers and buying goods in large quantities and for cash.

The next paragraph is unimportant, and I shall not read it. Then it goes on:—

We contend that there should be no price maintenance contract existing between the manufacturers and the jobbers. We believe if the manufacturer was left to his own discretion that he would sell to any organization properly constituted and allow such Organization to resell at any price bearing a fair margin of profit for so doing business. We think that the price maintenance contract as between the jobber and manufacturer is fully in protection of the jobber. We would be glad to go further into the matter upon request.

There was a house in Moosejaw called the Assiniboia Music Company which had signed one of these agreements with the Berliner Company, a long thing of six and a third closely written pages of typewriting, tying a man up as tightly as he could be tied in this world. It happened that the Assiniboia Music Company had on hand at a certain date a large stock of Victor records, all with labeled prices below which the records must not be sold. The labeled notice further stated that buying the record was an acceptance of the terms of sale. The Berliner Company arbitrarily took away the agency from the Assiniboia Music Company because that firm handled the

Edison records as well, and left them with many hundred Victor records which they must not sell below the labeled price. They held on to the old records for quite a while. They could not sell them as people knew they no longer had the agency and would not come into their store to hear them, and by the terms of their agreement they could not sell them below the labeled price. At last they unloaded them on a jobber who took chances, and that jobber sold them to another and they to another, who then started retailing them out at a somewhat reduced rate, which was the only way in which he could sell them as they were very old records, some of them twelve and fifteen years old, quite old stock. And what did they do? The Berliner Company came to this company, the fourth holder from them, and sued them for, I think, $20,000 damages, a very large sum, and got an injunction forbidding them to deal in Berliner gramophone records except at the duly authorized prices. Let us suppose they were right in this, what an outrage it is that the law should permit a contract to be made that would enable the vendor to say to a man: Because you have signed a contract and we have your name, even if the records are 15 years old, you may not sell for less than the labeled price or we will get an injunction against you. That is a fair illustration of the way in which these people, who talk about using customers right, treat people when they get them under their thumb. They got an injunction and carried the case right to the eve of the court, with their bulleying methods, because they have any amount of money to fight such cases. I have here a report of the withdrawal of the case 24 hours before the trial, taken from the daily paper in Moosejaw, which I shall read because it shows the spirit in which these people dictate and bully when they have a man under their thumb on one of these price agreements. The report is as follows:

There came before Judge Lamont in Supreme Court yesterday the action of Berliner Gramo-phone Company, Limited, against Canadian Specialities Limited.

The plaintiff about two years ago had sold a large quantity of records to the Assiniboia Music Store and had secured from the Assiniboia Music Store a hard-and-fast contract that the records should not be sold less than the price dictated by the Berliner Company.

In the course of time the Berliner Company cancelled the agency of the Assiniboia Music Store and afterwards the records which were then in stock, came eventually into the possession of the Canadian Specialties Limited, who were selling them regardless of the dictated price.

The case is of especial interest inasmuch as there is at present before the House of Commons what is known as "The Knowles Bill," forbidding price fixing contracts, and in this case the Berliner Company sued on the contract and obtained an injunction some four months ago prohibiting the Canadian Specialties from disposing of the records at less than the dictated price.

When it came to the eve of the trial the Berliner Company abandoned its position, and yesterday moved before Judge Lamont for leave to have the action dismissed with the Berliner Company paying all costs. Mr. Knowles, K.C., on behalf of the defendant opposed this, maintaining that it should be subject to a condition that the damages incurred by the defendant should be paid by the plaintiff. Judge Lamont sustained this point, and entered a direction that the damages should be assessed by himself at a later date, to be appointed.

During the course of the argument an evidence point of interest came out, and there was read the examination of the Vice-President of the plaintiff company, in which he was forced to admit that the patent on which he sued was absolutely valueless inasmuch as it had expired two years before the issue of the writ. It was further valueless because the plaintiff had used the wrong patent number, and the number in question, which they had inserted on their records, was a patent of a device for cutting thistles, apparently some agricultural implement, and Judge Lamont jocularly asked the plaintiff's counsel if he would contend that his records had a practical use for the purpose of eradicating this well-known weed. It was further shown that the patent, which the plaintiff said should be inserted on the record, was not only one which had expired but was one which was made of entirely different material (hard rubber) than that used in the records in question, and according to the evidence even this patent was not the property of the plaintiff. The evidence of Mr. Berliner also admitted that the contract, which the Assiniboia Music Store had signed, might by the arbitrary conduct of the Plaintiff Company, leave the purchaser of records high and dry with a large stock of records which he would be unable to sell unless by special permission of the Berliner Company.

Mr. Knowles made the remark that the plaintiff's case was even tedious in the fact that one constantly searched and found nothing but foundationless points in the plaintiff's case, and Judge Lamont from the bench made the inquiry as to whether the Berliner Company's whole case was not a case of bluff, to which Mr. Knowles replied that his clients were positively of that opinion.

The Canadian Specialties' case had been carefully prepared by a special patent expert, whom they had engaged in the matter, and it was manifest that the whole case of the plaintiff must necessarily fall to the ground, and this, no doubt, explains the application of the Plaintiff Company for leave to have the whole action abandoned.

I refer to that case because it was largely through it that I became impressed with the fact that an injustice is done to men who sign these agreements, and the public suffer in consequence.

I have here next the agreement of the Henry K. Wampole Company, Limited,

manufacturers of all kinds of medicines and chemicals, out in South Lanark, a riding we all know so well. I shall not read it as it is a long agreement in small type; but it ties the purchaser up completely.

Mr. CROTHERS: What do they deal in?

Mr. KNOWLES: They are well known wholesale druggists. I think a man should be protected if he has stomach ache, and that he has a right to get a remedy to relieve it at the lowest possible rate.

Then I have the agreement of the Nyal remedies.

Every Nyal remedy on this invoice has the selling price plainly printed thereon. In accepting the goods (whether charged or free) covered by this invoice, the purchaser for himself and his employees hereby agrees with Frederick Stearns & Company of Canada, Limited, Windsor, Ontario, not to sell any of said goods or permit the same to be sold at a less price than that printed upon the package.

I have another, in very much the same terms, of the National Drug and Chemical Company, commonly called the Na-Dru-Co. That is in the form of a regular contract in which they call upon a purchaser not to sell their products at less than the stipulated prices and terms set forth in the price lists of the company. The company reserve the right to change the prices, and the purchaser must agree not to sell the products of the company to any person who has violated their agreement, and to give a sworn declaration at any time that he has adhered to the agreement. It is like the treatment of a ticket-of-leave man. I have here our old friend the E. B. Eddy Company, Limited. That beats them all. That company has a wonderful system. It does not let the man who buys matches get his profit until he gets all through selling the matches and then it makes him give a sworn declaration that he has kept the faith, held the fort and been a good soldier of the cross with it, and then it gives him his 17½ per cent profit.

Mr. DOHERTY: Surely he is a soldier of Lucifer if he sells matches.

Mr. KNOWLES: In the grocery and provision trade 8 per cent or 9 per cent is a legitimate profit, and he is forced to exact just twice that amount as his regular selling profit. The agreement reads:

Nor are you or your agents or employees to buy, sell, barter, trade or deal in any matches other than those of our brands bought from us or from our agents or travellers, except in so far as, and to the extent that, we are unable from any unforeseen cause, to fill your orders from time to time, of which you will be promptly advised.

[Mr. Knowles.]

It is like letting a man out on parole and requiring him to report every six months. If he reports faithfully, he is allowed to retain his freedom. The agreement continues:

We will, on the 15th of January and July in each year, or as soon as possible thereafter, credit you in account with a further special Loyalty Quantity Discount equal to twelve and a half per cent on the net amount (after deducting all other discounts, freights and allowances), of all invoices of our matches.

First they give him a discount of 5 per cent; then they give him a special loyalty quantity discount of 12½ per cent for keeping faith. A copy of the affidavit required by Mr. Eddy is attached. They agree to give Macdonald, Crawford, Limited, 5 per cent before they give them the 12½ per cent—and they make them sign a contract before they sell them the matches.

I have contracts here along the same line, issued by the Aylmer Condensed Milk Company, Limited, and the Welch Grape Juice Company. Then there is one from the Channell Chemical Company, Limited. I do not know who the president is, or whether he was born in Hanover, Germany, or not, but he has quite a system. The letter reads:

1. We will not sell or offer for sale any of the said products to the retail trade or any person, firm or corporation (hereinafter referred to as the "customer") at a price other than thirty-three and one-third per cent off that appearing on the package in which the product is sold.

2. We will not give to any customer any cash or other discount or advantage reducing said price.

3. We will not sell or offer for sale any of the said products to any customer after receipt of written notice from you that you have suspended the supplies of such customer on account of underselling said products or otherwise.

4. We will not export any of said products supplied hereunder to any country outside of Canada without your written consent first had and obtained.

5. We agree to pay you the sum of one dollar for each and every article sold or offered for sale in breach of this agreement as and by way of liquidated damages (this being a careful pre-estimate thereof) and not as a penalty but without prejudice to any other rights or remedies you may have hereunder.

I have here a letter signed by the Channell Chemical Company, who deal in the O-Cedar products. Any person who keeps house knows what O-Cedar products are.

Mr. McKENZIE: Where are they manufactured?

Mr. KNOWLES: In Toronto. This letter, which is dated April 13, 1917, is addressed to Macdonald, Crawford, Limited, a Moose-

jaw wholesale house, and gives a list of dealers who are not to be supplied with O-Cedar products because they would not behave themselves. The list includes the following names: E. G. West, Ferrah Drug Company, H. & S. Smythe, Mr. Rosenberg, of Toronto; Binning's Fair, of Moosejaw; J. H. Morris & Company, Edmonton, and two in Montreal.

Mr. OLIVER: They are on the black list?

Mr. KNOWLES: Yes. The first paragraph of the letter reads:

> We beg to advise that the following is a complete list of those dealers who are not to be supplied with O-Cedar products owing to their persistence in cutting the price.

I have a letter dated April 18, from Mr. Binning, of Binning's Fair, Limited, in which he mentions having been struck off the book of life by the Channell Chemical Company. This is the letter:

> We have just been advised by Messrs. McDonald, Crawford, Limited, that the Channell Chemical Co., Limited, have instructed them not to sell us any more O-Cedar goods. We presume this is on account of our refusing to sign their contract.
>
> We beg to enclose herein two letters from them which still remain unanswered also the agreement in duplicate which they sent us to sign. We have not broken their price for one year, but do not care to sign a drastic agreement.

They were removed from the list, therefore, not because they cut prices, but because they refused to sign the Channell Chemical Company's contract.

I have here a copy of the contract covering the sale of the Proctor and Gamble Distributing Company's products. This company manufactures in Cincinnati, but does business also in Canada. The contract provides that in case a charge for violation of contract shall be made, the persons signing the contract shall give the name of the person who made the sale in question, and furnish other necessary particulars. Refusal on the part of the signors to do this shall be conclusive evidence that the charge is true, and will render them liable to the payment of $50 to the Proctor and Gamble Distributing Company as liquidated damages, without prejudice to any other remedies which it may have. This company manufactures soaps, washing powders and crisco.

Here is another contract sent out by Lever Brothers, Limited, the Sunlight Soap people. It provides for the usual affidavit which must be sworn to by any member of the firm designated by the Lever Brothers, Limited, covering the details of any sale of Lever Brothers' soaps.

Another contract in similar terms is that between the Canadian Postum Cereal Company, Limited, of Windsor, Ontario, and the Macdonald, Crawford Company, Moosejaw, in which the same penalty is provided as liquidated damages if conclusive evidence is not furnished upon request of the name of the person or persons who made sales in contravention of the agreement.

In a letter to Macdonald, Crawford Limited, the Canadian Shredded Wheat Company, Limited, quotes the following paragraph from an agreement previously made:

> And we further agree not to sell shredded whole wheat biscuit, triscuit or other preparations of the said company at any price to any person or corporation who has not signed and conformed to an agreement in the form B-2 below written.

I have here a letter concerning the Gillette Razor Company, but I shall not trouble the House by reading it. I may say in passing, however, that the House may be interested in the case of the Gillette Razor Company vs. Rea, which will be found in No. 1 Ontario Weekly Notes. The Rea people of the city of Ottawa had bought the goods from another party, who had really bought from the Gillette Company, and the Gillette Company tried to get an injunction against the Rea people, although they were not really the signors of the contract. In the volume above named Mr. Chancellor Boyd gives the reason why he refused that injunction.

This is the letter written by Macdonald-Chapman, Limited, wholesale grocers, with which Mr. Alexander Macdonald, a member of Macdonald, Crawford, Limited, is connected. It is dated Winnipeg, January 16, 1917, and is as follows:

> P. A. Macdonald, Esq., Commissioner for the Government investigating the H. C. of L., Parliament Buildings, City.
>
> Dear Sir:—
>
> There are to-day in Canada certain firms who take what we think to be not only a very high handed but illegal stand in the policy of distributing their goods. For instance, there is the E. B. Eddy Company, manufacturers of matches. These people compel every wholesale grocer to sell their matches at a fixed price, giving the wholesaler a profit of from 17 to 20 per cent or twice as much as any well conducted wholesale grocery business needs. If any wholesale grocer will not keep to this price Eddy refuses to sell them. Also refuses to sell any jobber who will handle matches made by any other firm either Canadian or American except those made by them-

selves. Our firm, for instance, here in Winnipeg, is unable to purchase any matches from the E. B. Eddy Company simply because we sell other matches which are just as good and at considerable less money, although we would be willing to adhere to the Eddy Company's price, which, as we stated before, is, we think, exorbitant.

Then there is the Canada Starch Company, also the St. Lawrence Starch and Sugar Company; these two firms control the manufacture of corn syrup and starches for Canada.

I fancy corn syrup is an article that is largely dealt in.

They also dictate a selling price at which the jobber is to sell and refuse to sell any jobber who will not agree by signing a selling price agreement to make the same margin of profit on any other manufacture of a similar line of goods they handle. These firms will not supply us with any of their goods whatever. We are willing to adhere to their selling prices, but their reason for refusing to supply us is that we handle Karo and crystal white corn syrup made by the Corn Products Company of New York. These goods we buy from the Corn Products Company and are shipped from Argo, Illinois. We pay 62½ cents per hundred pounds duty on the syrup, 25 per cent duty on value of the tins, 7½ cents war tax on the value of the goods as sold for home consumption, practically the same rate of freight, and we sell them delivered Winnipeg for fifteen to twenty per cent less than the wholesale grocers of Winnipeg are forced by the Canadian combine to sell their goods at.

So it looks as if we could cut out this dictating of prices in Canada. The letter continues:

The Shredded Wheat Company are an American firm with a Canadian factory, who will not supply us with their goods because we sold some shredded wheat to a retailer in Winnipeg who sold at a reduced price to the consumer, and the Shredded Wheat Company refuse to sell us because we supplied the retailer with these goods. Since that we have bought the goods elsewhere and have cut their price down with the result that they refuse to sell any connections of ours from Fort William to the coast, although they are separate and distinct companies from ours.

The Cream of Wheat Company, of Minneapolis, is another concern that takes the same stand, except that they do not try to dictate a price at which the retailer shall sell at. The Borden Milk Company of Canada to-day also have in force with the wholesale trade an agreement whereby no wholesaler can sell their goods except at the price dictated by them, nor can any wholesaler sell any other manufacturer's goods except at a price dictated by the Borden Milk Company, which we think exceedingly unfair and unjust.

The next papagraph is not of importance and I will not read it. The letter closes with this statement:

We have in our office here copies of all agreements referred to, and many letters showing, as in the case of the Shredded Wheat Company, where they have even gone so far as to write the Macdonald-Crawford Limited

[Mr. Knowles.]

of Moosejaw, stating that if they supplied us with any shredded wheat, they would cut them off the jobbers' lists.

I have read the main part of the letter, and I am very much indebted to the firm of Macdonald-Crawford and to many other friends for information which has been furnished to me in these papers. After looking into the matter, I am able to make this statement that I have never met any person who can give an honest reason why this price dictation should be continued. Certain mercantile associations have passed resolutions, but they have given no reasons at all. I have in my hand an article showing the way in which a large association which met in the Chateau Laurier here in February last dealt with the matter. They had representatives from many of the wholesale organizations and retail merchant associations throughout Canada. They have only a word to say about the Bill. You drive a man who has a special privilege to the ground, and you will find he has no argument, but this is the report as distributed by the directors of the association:

Following this announcement a Bill was introduced by Mr. William E. Knowles, M.P., from Moosejaw, who is a solicitor, and consequently he has had no practical experience in commercial matters, and this measure is still before the House of Commons, awaiting the continuation of the session.

That is all they have to say about it. Their only reason is that I am a solicitor and therefore have no business in commercial matters. Therefore they dispose of the matter in, I am sure to them, a very convincing way. Further on they say:

The following is a copy of the Bill which was introduced by Mr. William E. Knowles, M.P., of Moosejaw, and which it is the intention of the trade to strongly oppose, and which they say places unfair restrictions on them and favours too much of the sort of legislation that the Kaiser has been imposing on Germany, and trying to impose on other nations.

God save the Empire! When you find a man with a special privilege and hunt him to the ground, he will generally shout loyalty, or something of the kind. Their two arguments are, first, that the Kaiser is doing it, and secondly, that the man who has brought in this Bill happens to be a very humble solicitor. The Printer and Publisher of March has an article on pages 15 to 17 opposing the measure, and the Printer and Publisher for April has an article on page 33. I have read these articles carefully and they give no arguments

at all. Here is the whole of the Printers and Publisher's argument against the Bill:

Just here, is where Mr. Knowles and others fall into error; they declare that when a maker or seller has parted with his goods at an agreed upon price, his control over re-sale disappears; that he loses title in the goods when he sells them and is paid for them; and that re-sale prices are for the purchaser to determine and not for the maker to fix and enforce.

They say that it where I fall into error; I think that is where I rise into lucid vision. I may be very dull—and no doubt I am—but I am rather proud of the fact that I do believe that when a maker or seller has parted with his goods at a certain price, his control over the re-sale does disappear; I believe he loses his title in goods when he sells them and is paid for them, and I believe retail prices are for the purchaser to determine and not for the maker to fix and enforce. Their argument is no argument at all. Manifestly, if I pay for a Gillette razor, a price which pays the manufacturer for his invention, his patent, his control over the razor, his monopoly, because he takes all those things into consideration when he fixes his price, I have paid him for the charge he puts on all those things, and if they are things of value on the market, I have a right to cut that market price or not, just as if I owned a horse, I could sell it cheap. If I have bought and paid for a thing, it is the most Prussian thing in the world for any one to say what I shall do with it; I can give it away as a Christmas present if I like, because this is a free country.

The Minister of Labour the other day made up a list of some members of the House, some of whom, including my humble self, to whom he would not pay any attention, others, including the hon. junior member for Halifax (Mr. A. K. Maclean) to whom he would pay attention, I have here a copy of Industrial Canada which I would put in a class to which I would pay attention, and some day I will put the Minister of Labour in a class. Industrial Canada of March, 1917, has three full pages, 1284, 1285 and 1286, dealing with the measure, but I challenge any person to show that they seriously combat the Bill. They give their reasons in methodical order. They take the case of an Ingersoll watch and they say: If you allow it to be sold as cheap as a man can sell it, there will be no Ingersoll watch in the world because the price will be cut down so that no one will buy it. Because a thing is sold in the open market, the fact that a man is selling it as cheap as he can, does not remove it from the market. Men will buy Ingersoll watches if they are worth the money, and if they wish to buy those watches, they should have and always will have those watches if they are good buying and will compete with other watches. This article deals with the manufacturer's right to fix retail prices, and it is classified into three parts, the viewpoint of the manufacturer, the viewpoint of the middleman or the retailer and the viewpoint of the consumer. Here is all they say from the consumer's viewpoint in their article of three full pages, comprising six columns:

Consumers have declared themselves on this question of price maintenance, and have endorsed the position of manufacturers of standardized, identified goods in their desire and effort to have resale prices fixed and enforced. Let the following two illustrations of the consumer's attitude suffice for this time.

Then it goes on to say that Mrs. Christine Frederick of the Ladies' Home Journal gets some answers and the National Housewives' League some others, which convince them that the consumers did want it, and they rest their case entirely on the desire of the consumers that the dictation of prices should continue. We can assume that this is their strongest argument, and it would be well for any hon. gentleman who take an interest in this Bill to read what is to be found on page 1284 of Industrial Canada for March 1917. My whole point is this, in the labour market, in the market the farmer has to cater to, in the market the professional man has to cater to and every other market, there is no reason why men should not be allowed to sell goods as freely and as cheaply as they wish. If a man can sell his goods cheap, let him do so. If we carried out this principle of dictating prices, not only as far as in the agreements I have read, but universally, the consumer would get no benefit whatever, from the ability and cleverness of the merchant, and the merchant would have no motive to prompt him to reduce his overhead and develop a large trade by small profits. What we want in this country is to encourage in the widest possible way the merchant who makes up his mind to his business, to be more vigilant, to live more economically himself, and to attract the largest possible trade to his store. We want to encourage the man who will say, "My prices will be so attractive that people will come to my store. I will attract such a large volume of business and look after it so carefully that I shall be able to sell cheaper than my competitors. But if you elimi-

nate that and allow the price at which the merchant can sell to be dictated, the consumer gets no benefit, and I say the consumer has a right to freedom of trade. If the Macdonald Crawford Company, to use as an illustration, or any other great wholesale house in Montreal or Toronto, desire to sell a little cheaper than other wholesale houses, why should not the consumer be allowed the benefit of that? Surely some merchants can sell cheaper than others. The clever merchant who attends to his business and is frugal can sell cheaper than the extravagant man who is not attending so closely to his business. If the price of all commodities is to be dictated like the price of a postage stamp, the consumer will get no benefit at all, and I repeat the consumer has the right to the benefit of competition in every article of trade. I have had resolutions from a great many labour organizations approving of this Bill. I believe the dictating of prices has been carried on to such an extent in this Dominion that it has become a source of peril. These price-dictators think they have a right divine, and that anybody who touches them is laying his hands on the Ark or something of that kind. I hope the House will be an iconoclast in that respect, and will see as I do that the dictating of prices is becoming a vicious system in this country. I therefore move the second reading.

Mr. BLAIN: Does the information that my hon. friend has go to show that the fixing of prices is carried on in Canada to any great extent?

Mr. KNOWLES: Yes, it is very general.

Mr. BLAIN: I differ from my hon. friend. I think it is caried on only to a limited extent, particularly in the province of Ontario.

Mr. KNOWLES: It is carried on very extensively, not always by way of signed contract, but by way of understanding. Take, for instance, the Jaegar Wool Company or any other large clothing house. I am told by merchants, and I have talked with many, that they get a list of the prices at which the articles are to be sold, and if they deviate in any way from those prices, they will lose the agency, and the same thing applies to a great
11 p.m. many kind of boots and hats and other articles of clothing. The way the price of sugar is dictated is an outrage. In Moosejaw we can buy sugar made in Vancouver cheaper than the people of Vancouver themselves. In Calgary the price is dearer than in Moosejaw, but cheaper than in Vancouver. The farther you get away from Redpath sugar the cheaper you can buy it. Some of these people seem to think they own the earth, and I feel it is my duty to do what I can to smash the system.

Hon. C. J. DOHERTY (Minister of Justice): I have followed the argument of the hon. gentleman with a great deal of interest, and if I have correctly grasped it he seeks to have this legislation enacted because he looks upon any agreement for the fixing of a resale price as unreasonably restraining or interfering with competition. As I understand the law as it stands at the present time, any contract that unreasonably restrains trade is already an unlawful contract, and is already covered by a provision of the Criminal Code, so that if the different agreements which the hon. member has read do, as he contends they do, unreasonably restrain competition in the sale of the goods concerned, why then the parties entering into them are under the law as it stands at present guilty of an offence. If I understand the effect of his amendment it will be to withdraw from the consideration of the court to whom the matter might be referred the question whether any particular agreement in which a resale price is fixed does or does not unduly or unreasonably operate in restraint of trade or to reduce competition—in other words, to prejudice the consumer and to determine absolutely by the law itself that the mere fact of a stipulation under any circumstances whatsoever fixing a resale price being contained in a contract makes the entering into that agreement an offence.

Mr. KNOWLES: What is the section my hon. friend refers to?

Mr. DOHERTY: Section 498, which says that every one is guilty of an indictable offence who does a variety of things, and the last one mentioned is the one I think under which my hon. friend's Bill would come, if it be true that any agreement under any imaginable circumstances for the fixing of a resale price operates to produce the consequences which he asserts it does. The section says that every one is guilty of an indictable offence who combines, agrees or arranges with any other person,

(d) to unduly prevent or lessen competition in the production, manufacture, purchase, barter, sale, transportation or supply of any such article or commodity.

Now, if I followed the hon. gentleman's argument rightly, he contends that any stipulation fixing the re-sale price of an article should be prohibited because it does unduly lessen competition in the sale of that article. If he is right in that contention, then the law already deals with the case that he has in mind. If I point that out, it is not because I desire to proceed to say that he is right in this contention; or, on the other hand, that he is wrong in that contention; I do not want this evening to discuss that question. But I would like to put quite clearly what the proposed legislation is. It asks this House to determine that in all cases, without regard to circumstances or conditions, the mere stipulation by a vendor when he sells his goods that the purchaser shall not re-sell them at less than a fixed price is something that unduly and unreasonably lessens competition and prejudices the consumer, and therefore should be prohibited, and the person who enters into such an agreement should be treated as a criminal. The question, therefore, that this House has to pass upon in considering this legislation, is whether it is justified in enacting that the stipulation of a fixed price is in all cases one which prejudices the consumer by unduly lessening competition or by unduly enhancing the price. If we pass this legislation, Parliament will hold that to be the case without regard to circumstances and conditions. The difference between the law as it stands to-day and as it would be should this Bill become an Act would be that, whereas to-day a man may be convicted of a criminal offence if he stipulates a sale price and this produces the result indicated by the hon. gentleman, after this law is passed he would be liable to punishment even though in that particular instance he could show that the stipulation of a resale price did not produce an injurious consequence. To justify the proposed legislation, therefore, Parliament ought to be convinced that in all cases, without distinction of circumstances, the mere stipulation of a fixed resale price operates wrong to the general public.

Now, I am not prepared to say that it does. The hon. gentleman seems to think that it does. I am not going to say this evening that he is not correct in saying that, but I have endeavoured to make it clear just what it is that Parliament is asked to do, for the purpose of impressing upon all who have to deal with it the importance of this proposition. This question, which the hon. gentleman dealt with in introducing the Bill, even before he introduced his Bill, had been engaging the attention of the Government in connection with the consideration of the general questions bearing upon the high cost of living. I think the Minister of Labour has given the matter very special attention, and I have given it some little consideration and some little study myself. Of course, like the hon. gentleman (Mr. Knowles), I labour under the disadvantage of being a solicitor, and therefore in a class that, according to some people, cannot be expected to know anything about business. But I have endeavoured to look into this question, both into the question of how the law stands at the present moment upon the subject, and the question whether or not the mere stipulation of a resale price necessarily and in all cases unreasonably enhances the price to the consumer, or unreasonably lessens competition in the sale of the article. I am free to admit that I have not been able to reach as clear and definite a conclusion on this subject as the hon. member seems to have reached. I do not wish to convey the idea that his proposal does not meet with a sympathetic reception on my part, so far as its purpose is to prevent unreasonable or undue enhancement of prices, or to prevent the doing of anything which will hinder or lessen competition in the sale of goods. If I could satisfy myself that in all cases and without distinction a stipulation to fix a re-sale price produces either of these results, I should be prepared to accept the principle of the mover of this Bill. I have not been able yet to reach that conclusion, nor have I been able to reach the contrary conclusion either. The matter is one which, in my judgment, calls for careful consideration. And, as I have said, it has been receiving that consideration. In considering the matter, one question has struck me as worthy of serious thought, and it is this—whether the best way to deal with such evils as may result from contracts of the kind the hon. gentleman has cited is to deal with them as matters of criminal law. What we want to get, after all, is the prevention of such evils as may result from contracts of that kind, and it is not quite clear to me that the best way to secure that prevention is to make the person who enters into a contract of this kind a criminal, and the entering into that contract a crime. Because, immediately your remedy is in the criminal law, that is when you depend upon means operating by the deterrent effect of

punishment of particular people, you must depend upon public feeling against the man who enters into a contract of the kind that is prohibited. I think I am safe in saying that the practical experience of the criminal law as it stands, which makes it an offence to combine or enter into an agreement to unduly enhance prices or prevent or lessen competition, has not been of a kind to encourage people to have recourse to that method of correcting the evil. Juries, naturally, are apt to be slow to find guilty of crime persons who have entered into agreements of this kind, which by many, at all events a certain class of people, are looked upon as perfectly legitimate. It is not clear to me that it would not be better to legislate looking to the prevention of the carrying-out of agreements of this kind. That is a question which I only put forward for consideration. It is one in regard to which I will not go farther than to say that it seems to me that there is a good deal to be said in support of the proposition that it might be better to look to legislation to regulate and control the effects of agreements of this kind for the remedy of the evils which might result from them rather than to criminal legislation. It is perhaps true that it might be well to provide both remedies. I am not for the moment presenting any absolute opinion upon the question but I think it is a question that calls for careful consideration in connection with this legislation. I would like to say further that quite a number of people, representative of the different classes of the business community in this country, have, since the hon. gentleman introduced his Bill, in writing to me, asked for an opportunity to be heard. Probably a committee of this House would be the best method of hearing what they have to say upon the practical results which they believe would follow upon the enactment of this legislation. It is not unfair that that opportunity should be given to them. I fancy that all hon. gentlemen would agree in thinking that it would be fair that before we proceed to enact this legislation, which is going to create a new crime, we should give an opportunity to those who may be affected by it to be heard upon the question. Both because I and my colleagues would like to give some further consideration to the subject matter of this Bill, more particularly to the evils which the hon. gentleman thinks he is going to remedy, and to the question of remedying the evils in so far as they exist, and furthermore in order that we may have an opportunity of providing means by which the parties who may be affected by this legislation may have an opportunity of being heard, I would desire to move the adjournment of the debate.

Mr. KNOWLES: May I ask when we will hear anything more of it?

Mr. DOHERTY: It is not with a desire to prevent the matter being dealt with. It is not impossible—I make no promise in that regard— that legislation will be introduced to deal with this matter on the lines which I suggested a few moments ago and which will perhaps, even in the judgment of the hon. gentleman, meet the evils that he seeks to meet. If it proves to be so, perhaps his Bill might give place to that. But, if, on the other hand, it does not, I am quite prepared to assure him that I am not seeking to get rid of his Bill in any indirect way and in moving the adjournment of the debate, it is not for the purpose of getting rid of this question. It is sincerely for the purpose of enabling us to give it the study that it deserves and to give those who may be affected by the proposed lgislation the opportunity which they have asked for to be heard. If no other legislation is proposed and no other method is found of dealing with the matter in a manner that may be satisfactory, I would be disposed to give the hon. gentleman an opportunity to go on with his Bill again. There is no desire to get rid of his Bill otherwise than by having the question involved in the submission of this Bill passed upon by Parliament.

Mr. KNOWLES: I do not suggest that the minister is endeavouring to delay me in any manner at all. The only point is that I do not know whether I shall be here in the future. I may not be here after a week from now.

Mr. DOHERTY: I will be very glad to meet the hon. gentleman and do my best to arrange that he will have an opportunity at a time convenient to himself. But, frankly, I do not think the House will proceed to pass this into law without giving—

Mr. KNOWLES: The second reading is not law.

Mr. DOHERTY: It will not take a very long time to pass it through its second reading. We will not be very much farther advanced because it has had its second reading. The passing of the second reading is supposed to involve the acceptance of the principle of the Bill. The whole principle of this Bill is that under no conditions or circumstances—

Mr. KNOWLES: It is not the principle.

Mr. SPEAKER: There is a motion to adjourn the debate and it is not debatable. I had hoped that it might be terminated by natural process.

Mr. GRAHAM: If it could be understood that this matter would be taken up again it would be satisfactory to adjourn it, but without an understanding of that kind it disappears. As I understand, it is probable that the Minister of Labour (Mr. Crothers) will have a Bill on this line. If we could have an understanding that these two Bills would be referred to a special committee of the House when the Bill of the Minister of Labour came up, in order to give the people that the Minister of Justice mentioned a chance to be heard, there would be no difficulty.

Mr. DOHERTY: I do not think there will be any objection in agreeing to that. If the Minister of Labour should not deal with the matter by any other Bill, this Bill might be referred to the committee to be dealt with. If the hon. gentleman (Mr. Knowles) will look at the Order in Council that deals with the high cost of living he will find that, at all events with regard to the necessaries of life, the provision contained in his Bill is in effect contained in that Order in Council. I beg to move the adjournment of the debate.

Motion agreed to and debate adjourned.

BUSINESS OF THE HOUSE—WOMAN SUFFRAGE.

Mr. PUGSLEY: I would like to call the attention of the Minister of Justice to the fact that there are several orders standing upon the paper and among them this one:—

Resuming the adjourned Debate on the proposed Resolution of Mr. Sutherland,—That in the opinion of this House, the question of extending the franchise to women should engage the attention of the Government at the present session, and the proposed motion of Sir Robert Borden in amendment thereto, and the amendment to the amendment thereto of Mr. Pugsley.

Unless this resolution is disposed of this evening it goes into the dead pile, to-day being the last day for the consideration of motions by private members. I would like to say that I am not a believer at all in this practice of shutting off private members from discussion. I think that one day should be left for the entire session. It simply stifles all independent thought or action by private members of this House. I would be sorry to have this resolution go into the bone pile. The ladies of the country are extremely interested, and it should be either discussed to-night or some day should be fixed for its consideration.

Mr. DOHERTY: If the hon. gentleman had been present earlier in the afternoon he would have had an opportunity of disposing of his motion. This motion was called in its regular order. There can be no suggestion of it being choked off.

Mr. PUGSLEY: This was not called.

Mr. DOHERTY: No, but the resolution of the hon. gentleman himself on the subject was called and he would have had an opportunity of speaking on that motion when it was called in its regular turn. I do not think it is quite fair to talk about choking off the private members. This resolution was fully debated the other day, and while I am not in a position at the present moment to give any absolute undertaking on the subject, I think it is not at all improbable that if the hon. gentleman attaches so much importance to it, some arrangement may be made to allow it to be proceeded with on some future occasion. But if it is unfair to members to choke off resolutions, it is not quite fair to members to ask them to sit here all night.

Mr. PUGSLEY: Even for the sake of the ladies?

Mr. DOHERTY: I think the ladies ought to be so gratified with what they heard the other day that perhaps they might be just as well pleased that it should rest the way it is. After all, I think the ladies had a pretty satisfactory assurance the other evening, those who are desirous that votes should be granted to them, and that their minds are probably not in a very great state of anxiety at this moment.

Mr. PUGSLEY: The minister says that if I had been here this afternoon I should have had an opportunity of bringing up the question again. I am sorry I was not able to be here, I had an engagement in the Supreme Court; but owing to the ingenuity of the hon. member for South Oxford (Mr. Sutherland) in getting his motion in ahead of mine, it has been under consideration and I should have been debarred this afternoon from proceeding with my resolution as it would have been out of order. I think the Speaker will agree in that. Therefore, my absence would not make any difference. It was only this evening that the resolution we are considering would be reached, and I am very sorry that the Minister of Justice will not proceed with it so that we may have the opinion of this House upon it.

The women of this country want to know if the members of the House are prepared by a vote to say that the suffrage shall be granted to them.

Mr. DOHERTY: I have no doubt the hon. member will readily pardon me for its not having entered my mind to conceive that he ever could have been out of order, and that explains why I said he might have been here this afternoon.

Mr. PUGSLEY: I was put out of order.

Mr. DOHERTY: Still less would I imagine that if he was not out of order there existed any power in this world that would put him out of order. So I think I might be still more pardoned. However, as I said, while, without consultation with the leader of the House, I perhaps could not make any absolute undertaking on the subject, I think the hon. gentleman need not be unduly anxious as to there being an opportunity afforded to dispose of the motion to which he refers. I shall certainly bring his remarks to the attention of the Prime Minister.

On motion of Hon. Mr. Doherty the House adjourned at 11.30 p.m.

Tuesday, May 22, 1917.

The House met at Three o'clock, the Speaker in the Chair.

VICTORIA DAY ADJOURNMENT.

Sir ROBERT BORDEN moved that when this House adjourns on Wednesday, the 23rd instant, it stands adjourned until Friday the 25th instant.

Motion agreed to.

COLD STORAGE PLANTS CONTROL.

On the Orders of the Day:

Mr. McCOIG: May I again call the attention of the Government to a matter which I urged upon them the other evening, and which I consider of grave importance. I refer to the taking over of the cold storage systems of Canada. To substantiate my position, I wish to read the following telegram:

> The Davies Company, of which Flavelle is principal stockholder, are trying to cover insurance on food products for two million eight hundred thousand dollars which they hold in cold storage Toronto which can be occupied by any independent insurance company also includes subsidiary company going so far as to try the Perth Mutual, Stratford, for a beggarly two thousand.

[Mr Pugsley.]

I would ask the Government if they have, up to the present time, taken any steps towards taking over these cold storage systems, in order that the consumers of this country may be protected from such companies as are in charge of them.

Sir ROBERT BORDEN: I did not follow the remarks of my hon. friend, but I shall read them in Hansard and give an answer at a later date.

STEEL RAILS FOR FRANCE.

On the Orders of the Day:

Mr. OLIVER: Is there to be an answer to the question which I raised yesterday in regard to the transfer of rails from the Transcontinental railway to Europe?

Mr. COCHRANE: Nearly all the first order has gone forward.

Mr. OLIVER: Do I understand that the first three hundred miles of rails from the Transcontinental have been shipped to France?

Mr. COCHRANE: Nearly all.

PAY OF MILITARY OFFICERS.

On the Orders of the Day:

Sir EDWARD KEMP (Minister of Militia): Mr. Speaker, the hon. member for Assiniboia (Mr. Turriff) last evening asked me a question in regard to the pay of colonels. I was out of the House at the time, but I think that, in the interest of the public, I should reply to him. He asked whether or not colonels in Canada were getting $15 to $20 a day, while those at the front were getting only $6. The pay of the officers of the Canadian expeditionary forces is exactly the same in Canada as it is in England or at the front. A lieutenant-colonel gets $5 a day pay and $1.25 field allowance. When he reaches London, and when he is at the front, however, he gets four shillings a day extra. That is the exact position so far as the pay of the Canadian expeditionary forces is concerned, whether in Canada or abroad, with the exception I have mentioned, that if an officer is abroad he gets four shillings a day extra for messing allowance. There is a slight extra pay for officers who are obliged to reside in London because of the extra cost of living in London.

WAYS AND MEANS.

The House again in Committee of Ways and Means, Mr. Blain in the Chair.

On Resolution No. 1.

Resolved, that it is expedient to amend the Business Profits War Tax Act, 1916, by providing:—

1. That in any business taxable under the Act where the annual profits exceed fifteen per centum per annum the tax shall be increased to fifty per centum with respect to all profits in excess of the said fifteen per centum but not exceeding twenty per centum per annum, and where the profits exceed twenty per centum per annum the tax shall be increased to seventy-five per centum with respect to all profits in excess of the said twenty per centum, and such increases in the tax shall be levied against and paid by the person owning such business for each and every accounting period ending after the thirty-first day of December, one thousand nine hundred and sixteen.

Mr. GRAHAM: Taxes are usually unwelcome, and we are all more or less willing that our neighbour shall pay his full proportion. I have not yet found a man who is unwilling to pay his full share, but I wish to bring to the attention of the minister some of the conditions connected with this proposed extra imposition. Not a few industries engaged in the manufacture of munitions and other commodities influenced by the war assert that after the war there will be a very critical period of readjustment. Some of them fear that during that period of readjustment they will be able to do nothing more than pay running expenses. The most conservative of these have been preparing for that period by placing to one side each year a reasonable reserve, feeling that when their present large business ceases—as we hope it will very shortly—they will find themselves, under the new system of taxation, in a serious financial plight. They tell me that during the two or three years succeeding the war these reserves will be used up in their effort to readjust themselves to new conditions and to prepare for a staple business in the future. Some of them, I understand, think that the action of the Government in taking such a large proportion of the amount they now have on hand will cause them to come to a condition of practical bankruptcy during the period of readjustment. I feel confident that the minister, far from having that in mind, would like to protect our industries against this result. To my mind this is the most serious aspect of the matter; the figures that have been presented to me by some concerns lead me to believe that there is a good deal in the contention.

I was struck very forcibly the other night by the remarks of the hon. member for Dauphin. I agree that in order to produce a revenue in the years to come, a good many of our former theories will have to go by the board. Methods recognized as proper for the raising of revenue in years gone by will still be used, but they will have to be supplemented by others. What shall these others be? I think it is the consensus of opinion throughout Canada that these taxes should not be imposed on the producers of agricultural products. In fact, I am strongly of the opinion that we shall have to deal with the tariff from a different angle. The farmer must be enabled to produce as cheaply and in as large quantities as possible. If his output be restricted, none of the rest of us need look for any great prosperity, because, while industrial development is desirable, it will for a great many years be true of Canada that the basis of our prosperity must be found in the farms. We shall have to go a long way towards reducing the cost of production and giving the farmer the freest opportunity to sell where he can get the best market and to buy as cheaply as possible all the implements that he uses in production. In a recent trip that I had West, this view was impressed upon me more strongly than ever. Striking instances came to my attention of real hardship to the men who were trying to produce. In the future we shall have to do two things: first, assist the man on the farm so that he can compete with all others the world over who are engaged in the same business; and, second, readjust our tariff with a view to raising as large an amount of money as possible. That, rather than protection, should be the chief object in view. We shall have to go a long way in the scientific arrangement of our tariff in order to raise the greatest amount of money without restricting the ability of the man on the farm to produce. I know the minister will say that it is easy to talk in generalities, but the more we look into the financial situation, the more we are inclined to view it from a different standpoint. The time has arrived when the greatest good to the greatest number should be the object of the framing of tariffs, and the greatest good will come to the greatest number only when we enable those engaged in our basic industry, so far as it is possible to do so, unrestrictedly to produce and to sell.

Another remark in that speech which struck me forcibly was in reference to unoccupied lands in the West. I think we are under a kind of delusion as to the amount of good land available for homestead in the West.

I hear men speaking of the millions and millions of acres of good land remaining available for homesteading, but I believe that the estimate of many men will have to be revised as to the quantity of land still unoccupied. A large quantity of land may yet remain open for homesteading, but there is not so much as people imagine. In the years to come, under new conditions and under new methods, a great deal of this land may be brought under cultivation, but to my mind we have not available for homesteading at the present time such a large quantity of land as some of us think. If it be true, as the hon. member for Dauphin (Mr. Cruise) said the other night, that there are held in the West many million acres of land from which no revenue is derived, but the value of which is increasing rapidly on account of the improvement of other lands in the West, then under the new conditions we shall have to devise some scheme of dealing with these lands from a revenue point of view and from the point of view of general development. A large quantity of these lands is exempt from provincial taxation; and if normal conditions existed, I would feel it would perhaps be a dangerous thing to suggest that such lands ought to be taxed, when by agreement they are exempt from taxation; but we are at the present moment in a situation in which every man, woman and child in Canada has to submit to taxation to which neither he nor she ever before expected to have to submit, and we shall all willingly and even gladly offer to pay our share in order that there may be no difficulty from a financial point of view as to Canada being able to do her part in bringing the war to a final and conclusive victory. Those who hold these lands ought to bear their share of the burden, and I believe, whichever party may be in power, it is their duty to ascertain without delay some means whereby this land, which is now very valuable, may contribute its share of taxation for the carrying on of this great struggle in which we are engaged. No hardship will be suffered by anybody if we take part of the profits, or what we call the unearned increment.

Mr. JAMESON: Does the hon. member refer to railway lands as well as to lands held by private individuals?

Mr. GRAHAM: I certainly do; I refer to all lands that are unproductive and that are held for speculative purposes, whether they be owned by railways or by private individuals. These lands are at present of great value and most of them adjoin railways, whereas a settler coming in ordinarily has to go many miles from a railway and at times has to travel over mile after mile of such lands adjoining railways which land he can not secure as a homestead and which he would have to purchase at a very high figure. I know the objections that will be raised, such a violation of agreement and so on; but many years have passed since some of those agreements were made, and we are in a situation now where, while I would not advocate a violation of agreement, I would certainly call in every man interested in these lands and say to him: we propose to devise some means whereby these lands will contribute their share towards the carrying on of this war.

If taxation be imposed on these vacant lands a tendency will be created to dispose of them to men who will cultivate them. If these millions of acres of land in the Great West, now untilled and out of the hands of the Government, were made productive, the railway situation, which is serious, would soon be solved, because in our western country there is a sufficient acreage to provide for our transportation companies freight which would keep busy, not two railways, but the three transcontinental railways and many more branch lines than we have at present. The railway problem is a serious one and one not easy to solve, but it is worthy of the attention of the Government, and I want to repeat that such taxation would very materially aid our financial situation and would practically solve many of the difficulties that have arisen in connection with our railways, because, while at the present moment we may have in some directions a greater railway mileage than is warranted by the present production of Canada, we have not a greater mileage than is warranted by the developed productiveness of Canada, and if these acres are made productive much of our trouble in connection with the railways would be removed.

There is another point that I wish to urge again upon the attention of the Government. The more I think of it the more I am convinced that there is a source of revenue that we are not touching in this Bill that ought to be touched and touched now, and, if you will allow me, Sir, to say so, touched well. We have in the city of Ottawa and in every other large city in this country men who will not be taxed at all under this Bill, who are not assisting in the employment of men and who are not assisting in the production,

directly at least, of anything connected with this war, while our young men, who, on the farms and in the shops, have been assisting in the productiveness of the country, are at present at the front fighting. The men who have their money invested in industries are paying liberally and are glad to pay their share into the national coffers for the carrying on of this war, but there are scores of men who have their wealth invested in mortgages and other securities, many of whom are not aiding in the development of any Canadian industry. Some of our wealthiest men have their cash invested in American railway securities and other investments which I could name, and these are not contributing anything, nor will they contribute anything under this measure, and I believe, therefore, that the Government will be justified even now in devising a scheme whereby the wealth of the country, as outlined in the few remarks I have made, will be taxed thoroughly. We speak of conscription of men, but there is another duty which the Government ought to undertake, and that is the conscription of wealth, in order that the two may go hand in hand for the carrying on of this great war. The Minister of Finance says rightly that taxation of incomes has been left to the provinces and municipalities. That is true, but the income tax collected by the municipalities throughout the province of Ontario, for instance, scarcely touches the fringe of what this source of wealth ought to contribute in this time of stress. The province touches this source to a certain extent by adding one mill on the dollar to the assessment throughout Ontario, but that is a mere pittance, and I again urge upon the Government that while nearly all classes are paying taxes, some being taxed very heavily, there is a class that is not touched, and for the duration of the war at least a tax ought to be imposed on this wealth wherever found, and, in particular, a tax ought to be imposed on the incomes of men who have their money invested in mortgages and in securities outside of Canada, on which investments they are taking practically no risk and which are not furnishing employment to a single man, woman or child in this country.

I submit that to the Finance Minister and trust that even at this late stage he will devise some means by which this concentrated wealth that is now untouched may be reached, in order that the burden of taxation may be more evenly distributed among our people. I can assure the minister that I have not met in this Dominion a single man who is not willing to pay his fair share of taxation in order that we may do our full duty in this war, because as I have said before, and it is worth repeating, if the Allies lose in this war it will in my view not be worth while being a Canadian any longer. We must leave nothing undone, and I again urge that one available source of taxation which should be reached is the incomes of these men of wealth, which under the present taxation are not touched at all.

Sir THOMAS WHITE: My hon. friend (Mr. Graham) has in a thoughtful speech discussed the question of the policy of taxation which should be adopted in this country to meet our requirements in connection with the war. The policy of any Government in a situation of this kind must necessarily depend upon the financial situation as it from time to time presents itself. I suppose when this war broke out none of us thought it would last three years. Some of us were of the opinion that it might last one year or perhaps two, but I think no one believed at that time that at the end of three years we should still be looking forward to another year or more of war.

Mr. MACDONALD: Kitchener said it would last three years.

Sir THOMAS WHITE: That is so, but I think that few in this country, and I know that few in England, believed that the war would last for so long a period.

My hon. friend has raised the question of the policy of taxation which should be pursued in connection with the financing of the war. There are two principles which I have endeavoured to follow in the financial administration of the country. In the first place I have thought it advisable to make long-date loans in order that the country during the progress of the war or in the possibly trying period following the conclusion of the war might not be hampered or embarrassed by short-date maturities falling due. I think that is a sound principle, and that we have been wise in adopting it. The second principle which I have adopted is this: that we should so aim by increasing our revenues and diminishing our expenditures for purposes other than war, to be able during each year to meet not only all current expenditure, including the interest on a rapidly increasing war indebtedness and a large expenditure for pensions, but at the same time be able to pay a substantial portion of the principal of our war expenditure. It strikes me that

those are very sound principles in connection with the financial administration of the country in time of war.

I pointed out in the Budget speech that we had been able out of the revenues of the past year, which had been derived from the various modes of taxation which we have adopted, to pay not only all current and all capital expenditure—and in current expenditure I am including the increased interest amounting to some $20,000,000, on our increased national debt due to the war—but also to pay all pensions and at the same time devote $60,000,000 to the payment of the principal of our war expenditure. Now, if we can succeed in doing that, the war expenditure of the Dominion during the war would not be a formidable problem for the Dominion to face, and in that connection we must bear in mind that our expenditures for war are rapidly increasing, that they will be greater for the year 1917 than they were for the year 1916, and that they will be greater for the year 1918 than for the year 1917. I tried to make a perfectly frank statement to the House in my Budget speech. I said we could look forward at the end of next year to a national debt of $1,200,000,000—I think that is an outside figure, rather than attempt to minimize the seriousness of the burden which would be imposed upon us, and which I know we are all glad to bear in connection with the war.

The policy of any Government in war time as to taxation must depend upon the financial situation as it presents itself from time to time. It has appeared to us that the measure of taxation which we have brought down in this Budget is reasonably adequate to cope with the situation as it presents itself at the present time. I said during the debate that it was possible and even probable that we might have to resort to a measure of income taxation as the war developed and our financial requirements became greater. I also stated that we might have to consider, and I repeat it to-day, other sources of taxation different from those which we have adopted up to date. My hon. friend from South Renfrew (Mr. Graham) in his very thoughtful speech has put forward different methods of taxation, some of which he appears to favour, and all of which he desires the House to consider. In his closing remarks he referred especially to income taxation. Now, I have given this matter of income taxation my most careful consideration, and I have reached the conclusion, which I believe is sound, that at present it is not advisable to impose an income taxation. I hope the House will pardon me if I develop briefly some of the arguments which have led me to that conclusion; most of which were touched upon in the Budget speech.

Many statements have been made in this House by hon. gentlemen who have not had the opportunity of going into this matter as a Finance Minister is able to go into it, indicating an opinion upon their part that very large sums indeed would be raised by an income taxation measure. For instance, the hon. member for Dauphin, in the course of his speech stated that we should raise $50,000,000 from income taxation. I doubt very much if the hon. member has gone into the matter statistically to see whether any such sum could be realized by income taxation. I have no hesitation in saying myself that no such sum could be realized in this country by a measure of income taxation. You might ask me on what I ground that view. Well, in the United States, for instance, which has 12 or 13 times the population of Canada—and at least 25, and I should not be surprised if it were 40 or 50 times our wealth—they have had income taxation for some years. It is a pretty heavy tax, being 2 per cent upon incomes from $3,000 upwards. As soon as the income reaches $20,000 there is an increase of one per cent; when it reaches $40,000 there is an increase of two per cent, and so on upon a graduated scale running up to thirteen per cent on an income of $2,000,000. That is a fairly heavy income tax.

Mr. PARDEE: What is the initial rate?

Sir THOMAS WHITE: Twenty mills on the dollar or two per cent, which is about the rate of municipal taxation in Toronto and most of the other cities in Canada. This tax has been in effect in the United States for some years, and consequently the machinery for collecting it—a very important matter has been perfected. Yet, the amount realized from this tax, which is imposed not only upon individuals but upon corporations in respect of their net profits, was, for the year 1915, only $80,000,000, and for the year 1916, $124,000,000. The population of the United States is twelve or thirteen times that of Canada, and the wealth of the United States is at least twenty-five times that of Canada, I believe. This matter has been gone into by my department, and we are familiar with the income tax assessments in the neighbouring republic; and the conclusion we have reached is that on the scale of income

taxation in force in the United States today the Dominion of Canada could not hope to raise more than $5,000,000 or $6,000,000.

Mr. PARDEE: Do I understand that the man in the United States with an income of $2,000,000 pays two per cent—

Sir THOMAS WHITE: First, he pays two per cent, and then an additional thirteen per cent.

Mr. PARDEE: That is fifteen per cent on $2,000,000.

Sir THOMAS WHITE: That is as I understand it. So this income tax proposition is one to raise in the Dominion of Canada not more at the outside than $7,000,000 or $8,000,000.

Mr. TURRIFF: It is admitted, I believe, that there is greater wealth in the United States than in Great Britain. Why, then, cannot they in the United States collect as much by income tax as is collected by that method in Great Britain? Or why could not we collect as much in proportion to our wealth as Great Britain collects in proportion to hers?

Sir THOMAS WHITE: We have to consider first whether the wealth is concentrated or not. I think we do not realize the enormous amount of concentrated wealth in Great Britain. Well, suppose we should raise $7,000,000 or $8,000,000 by an income tax beginning at two per cent and running up to fifteen per cent—a very heavy tax—or even suppose we managed to increase it and to raise $10,000,000 or $12,000,000, we should even then have slightly less than the amount raised by the excess profits tax in the first year of its operation, which was the least productive year of all. In the first year of that tax we raised $12,500,000; and, as I pointed out in my Budget speech, we expect to raise more the second year, because the second year was on an increased business. So, I ask the House, when considering income taxation in the Dominion of Canada, to have regard to the comparatively small amount—that is small in terms of Dominion finance—that could be raised by this means. Reference has been made to certain gentlemen in Ottawa, Toronto, Montreal, and other large cities—

Mr. LEMIEUX: On several occasions the Minister of Finance has said that the cost of collecting an income tax would be very large?

Sir THOMAS WHITE: Yes.

Mr. LEMIEUX: Has the hon. minister made calculations on that subject? Could he tell us about what it will cost?

Sir THOMAS WHITE: I am glad my hon. friend called that to my attention, because I had intended to speak of it. It is not possible to make an estimate as to the cost, but I can say without hesitation that it would be very large in proportion to the amount of revenue that the tax would realize.

Mr. MURPHY: Has the hon. minister any figures showing the cost in the United States?

Sir THOMAS WHITE: No, I could get that, but I have not it here. This is one of the points that has been raised, and I want to deal with it fairly, and, I hope, in such a way as to afford information which will be available for members in reaching a conclusion. One difficulty in applying a federal income tax in Canada arises from the fact that we have a sparse population scattered over a territory at least as large as Europe. What does that mean? It means that we should have to cover the whole country, geographically speaking, in order to make sure that we were actually assessing the tax on all incomes down to $3,000, or $2,000, or whatever the limit of exemption might be. We should have to have a Civil Service, for that is what it would amount to, over the length and breadth of this country. We should have to cover every municipality, rural as well as urban, because in any township there might be one or more men with incomes greater than the limit of exemption. I do not mean to say that because the administration would be difficult that this tax should not be resorted to at all. But I do say that one test of the advisability of a tax is that the percentage cost of collection should be low. That is an axiom of taxation. But it is easy to see that in this case the cost of collection would be high. All that I say now is subject to this, which I have said before and now repeat: we may find it necessary to resort to an income tax, and if we find it necessary, for my part, I will not hesitate to resort to it.

Reference has been made to gentlemen in Ottawa, Toronto, Montreal, and other cities, who derive large incomes from interest upon mortgages or other sources, and who are exempt from taxation. It must be borne in mind that any tax in the Dominion must be general in character. I cannot bring in a Bill to tax A, or B, or C; the measure must apply to the citizens of

the country generally, commencing, of course, at a certain minimum of income, and graduated to the highest income that is derived in Canada. I cannot bring in a Bill to tax a few wealthy men.

Mr. MACDONALD: Why not?

Sir THOMAS WHITE: Well because, for one reason, the cost of administration would probably eat up the amount realized.

Mr. MACDONALD: That is not a reason.

Sir THOMAS WHITE: My hon. friend from Pictou (Mr. Macdonald) says that is not an answer. Well, I think it is, and we will let it go at that. He will object to anything I say, no matter what, so I hope he will not mind if I simply meet his assertion with counter-assertion.

Mr. MACDONALD: Don't get mad.

Sir THOMAS WHITE: No, certainly not with my hon. friend from Pictou. There is another phase of this matter. People in Canada to-day are giving very large sums to the Canadian Patriotic Fund, to the Red Cross Fund, and to other funds in connection with the war. The people, rich and poor, have been most generous in regard to these funds. My own opinion is that if a stiff income tax were added to the other burdens of the war it might result in a considerable dimunition in the amount subscribed to the Patriotic, Red Cross, and other funds. I do not put that forward as a conclusive reason why an income tax should not be adopted, but I do say that when we consider the expediency of an income taxation measure, it is wise to consider how much is being contributed voluntarily by the people, irrespective of class or rank, to the patriotic funds. That is all I purpose saying at the present time upon the question of an income tax.

My hon. friend from South Renfrew (Mr. Graham) has spoken of the tariff. I shall not deal with that at any length in answer to my hon. friend because the hon. member for Edmonton (Mr. Oliver) has given notice of an amendment which he proposes to move on the second reading of the taxation proposals, and I think I shall reserve what I have to say on that head until that amendment is under discussion. But, I should like to say this to my hon. friend from South Renfrew in regard to the tariff, and I am sure the information will be of interest to the House, that the measures which we have adopted in regard to the tariff have been fruitful to the utmost extent of our expectations. I shall quote just three figures. The House will recall that we increased the tariff by 7½ per cent and 5 in the year 1915. Since then the revenue of the Dominion from customs duties has been as follows:

1915	$ 79,000,000
1916	103,000,000
1917	147,000,000

There was an increase in 1916 over 1915 of $24,000,000 and an increase in 1917 over 1916 of $44,000,000. You must not forget, in considering this question of taxation, that the very backbone of the revenues of the Dominion is and is bound to be the tariff. We must look to the tariff to produce a very large amount indeed in order to meet the requirements of the Dominion for this war and other expenditures. I have a calculation as to the amount derived by the Dominion Government in respect to the 7½ and 5 per cent increases made in 1915.

Mr. A. K. MACLEAN: Does my hon. friend distinguish between the 7½ per cent on free goods and the 7½ per cent on dutiable goods?

Sir THOMAS WHITE: It is on both. In 1916, under the 5 per cent and the 7½ per cent increases, we derived $25,000,000 from the customs duties war tax and in 1917 we derived $37,000,000 from the same taxation.

Mr. A. K. MACLEAN: Is that from the tariff on free goods as well as the other?

Sir THOMAS WHITE: On both, because we impose 7½ per cent and 5 per cent on all goods.

Mr. A. K. MACLEAN: I understand that.

Sir THOMAS WHITE: It is on both.

Mr. A. K. MACLEAN: Will the minister state now what proportion of the $37,000,000 of revenue received from the 7½ per cent surtax came from free goods, or goods which were formerly free, and what proportion from goods which were dutiable?

Sir THOMAS WHITE: From free goods, $20,000,000.

Mr. A. K. MACLEAN: And $17,000,000 from dutiable goods?

Sir THOMAS WHITE: That would follow —$17,000,000 on dutiable goods. But the point I am making is that the increase in the tariff has produced very substantial sums towards the expenditures of the Dominion for war and other purposes.

The hon. member for South Renfrew referred to the business tax that is now before the House for consideration. He stated that after the war there would be a period of readjustment and that he shared the apprehension of some business men and friends that this taxation, by reason of it being so expensive, would cause them a great deal of embarrassment and even might force some of them into bankruptcy. I hardly see how that result could occur. In the first place, there have been three years since the outbreak of the war that the business profits war tax has been applied. In the first place, as I have stated, we realized $12,500,000, notwithstanding that there was a good deal of dislocation of business in that first period. In the second year I should be surprised if we should not realize $20,000,000 or more. The third year will probably be the best of all. It would have been the best of all if we had allowed the taxation which was introduced last year to stand, but we are increasing that taxation by the provisions of the measure now before the committee, and, therefore, the amount which will be realized from excess profits on business in this country for the last accounting period of the three years will be very large; how large I am not prepared to say, because I have not the figures touching this estimate.

4 p.m.

Mr. PUGSLEY: On what does my hon. friend place that estimate of increased revenue? Is it on the prospect of increased business, or increased prices, or both?

Sir THOMAS WHITE: As the taxation is levied in respect of profits, it would be in respect of increased business, but I suppose you could hardly consider business without considering prices in connection with it.

Mr. PUGSLEY: If you had the same business with increased prices it would be to the disadvantage of the country.

Sir THOMAS WHITE: I do not quite understand the hon. gentleman's point.

Mr. PUGSLEY: If the manufacturers were increasing their prices and if by reason of increased prices they have increased profits, it would not be a very satisfactory condition, because the consumer would have to pay those profits.

Sir THOMAS WHITE: Abnormal profits are being obtained by many businesses in Canada to-day. I have no doubt they are taking substantially as much as the market will afford them. Their profits are abnormal. What the Government are doing is this: They are saying to them: Your profits are, say, 20, or 30, or 40 per cent; we propose to step in and take a certain amount of those profits, because we regard them as abnormal; they are greater than you would have made had there been no war. Let us see what the extent of this tax is. The measure is limited to three years. I stated last year that it would be limited to three years, and I state so to-day. For the first two years we allow a company 7 per cent and an individual 10 per cent profit. We say to them: We shall not touch your profits up to 7 per cent, or 10 per cent, but if you make 15 per cent we will take 2 per cent away from you. I am only using the amount of 15 per cent by way of illustration. I shall deal with an incorporated company rather than an individual in giving my illustration. We say to an incorporated company: If you obtain profits of 15 per cent we will leave you 13 and take 2. Under this new measure which we are now proposing we say to them that we will take 2 per cent up to 15 per cent and half of the amount which they make between 15 and 20 per cent, and if they make over 20 per cent we shall take three-quarters of the whole.

I admit that it is a pretty stiff tax, it is a heavy tax. But I would ask the House to bear in mind (because the tax has been criticised on account of its severity) that capital as defined in the Business Profits War Tax Act includes reserve and undistributed profits. I do not myself believe that the ordinary commercial company has any very serious ground of complaint.

Mr. A. K. MACLEAN: Are borrowings treated as capital?

Sir THOMAS WHITE: No. As I said, I do not believe that the ordinary commercial company has any serious ground of complaint if, when it is earning 15 per cent upon capital and reserve, we say: We will allow you 13 per cent and tax 2 per cent; or if they make the additional 5 per cent we say that we will take one-half, or if they make over 20 per cent we say we will take three-quarters of the excess amount. It is a fact that there are concerns in this country that have been making 50 per cent, 75 per cent or 100 per cent in the way of profits in the last year, and this taxation is without question severe upon those firms and companies. There is no doubt about that. I pointed out the other day that this question had more than a business aspect, and although I was misunderstood, I was not indulging in rhetoric. I used the argu-

ment because I believed it had a real bearing upon this question of taxation. I stated that the people of this country were bearing great hardships, and making great sacrifices, owing to the war. I said that men were interrupting their employment, giving up their vocations and going to the war; that parents were sending their sons forward; and I said that I thought it was proper under those circumstances that, in the event of excessive profits having been earned owing to the war, a very substantial part of those profits should be taken for the State. I asked the House to believe and I, at all events, believe that it is a relevant argument. I think it is strengthened by the announcement of the Prime Minister the other day that it is proposed to introduce compulsory service into Canada. We must bear in mind that in the event of firms in this country getting abnormal profits, 30 per cent, 40 per cent, 50 per cent, 60 per cent or 100 per cent, the sentiment of the public is apt to be offended, and in that way our effort in the war likely to be diminished, if excess profits so great as that are permitted to private enterprise at a time when these sacrifices are being made by the people. I am the first to say in that connection that the men who have made these profits have made them under conditions that exist in this country, and that they are just as patriotic as the rest of us. They are among the leading citizens of Canada; they, too, have sent their sons forward and still continue to do everything they can to assist in the war. But the fact remains that very large profits have been made, and, so far as I am concerned, I have been unable to see that the Government would be justified in allowing those abnormal profits to be made without stepping in and taking a substantial part for the State. In other words, I believe that that argument, which might be criticised as a sentimental argument, is a real argument, having regard to the fact that we are carrying on this war and calling upon the people to make sacrifices of every kind in connection with it.

The hon. member for South Renfrew (Mr. Graham) has, as I said, expressed some apprehension lest the tax might be unduly heavy and force some of these firms into bankruptcy. Considering that we have taken only one-quarter of the excess profits in excess of 7 per cent during the years 1915 and 1916, and considering that this increased taxation applies only to the last accounting term of the three year period, I am of opinion that his apprehensions are not well founded, because most of the firms that made large profits last year made much larger profits in the previous year, and many of them made large profits in the year preceding that, which was a period of considerable dislocation of business. As the hon. member for South Renfrew said, we are on common ground in desiring that nothing should be done that would injure the industries of this country; but I am of the view that no such untoward consequences as he apprehends are likely to ensue.

Mr. PUGSLEY: The minister will remember that, some days ago, he was good enough to tell me that he would be willing to submit a statement of the excess profits of the flour milling companies of last year, from which the tax was taken. I should like very much to have them.

Sir THOMAS WHITE: I stated last year when this matter was under consideration by the House that should returns be called for by the House we should, of course, be glad to bring them down. These returns deal with the private business of individuals and companies throughout Canada. If any member desires information respecting the assessments levied against them, I would suggest that he give his notice on the Order Paper, and it will then be for the House to determine whether, in any particular case, those returns should be brought down. I have no objection personally to bringing them down; I am in the hands of the House. But I think if any hon. member desires information as to the assessment against an industry or an individual firm in an industry, he should move for it in the usual way in the House, and it would then be for the House to discuss the matter and determine whether they should be brought down or not.

Mr. PUGSLEY: I am sorry the minister did not say that. I think the minister said that if any member of the House desired the returns they would be brought down.

Sir THOMAS WHITE: I can quote almost my exact words. I stated to my hon. friend that if the House, as I said last year, adopted a resolution, the returns would be brought down.

Mr. PUGSLEY: The minister did not say that the other day.

Sir WILFRID LAURIER: What would be the advice of my hon. friend to the House when this motion was made?

Sir THOMAS WHITE: I cannot say in advance what my view would be except this, that if it developed that the House desired or the majority of the House desired information as to any particular assessment, or all assessments so far as I am concerned, the House would be entitled to the information because the House having imposed the taxation is entitled to know the result.

Mr. PUGSLEY: That is the majority of the House.

Sir THOMAS WHITE: I would not say that. I reserve to myself the right to consider what the motion is. If it were aimed at an individual and for some purpose that I considered other than the public interest, I might give my expression of opinion that while I would be very glad to give to any particular member the information personally, I would hesitate to make it public.

Mr. PUGSLEY: I will tell the minister what I wanted. I think I explained my own view as being that the people of Canada and this Parliament have a right to know what are the excess profits of every manufacturer engaged in producing foodstuffs, such as flour, or other necessaries of life, the price of which has gone up to an inordinate extent, beyond all reason, and that the public have a right to know what are the excess profits out of which the Government is getting its share.

Sir THOMAS WHITE: If my hon. friend desires information along that line, I suggest that he move for it in the House and we will consider what action will be taken. I will say further that it was agreed last year on the part of almost every member of the House, that information of this character, which touched the business of individual firms and companies throughout the country, should not be made public unless called for by the House. If my hon. friend desires information concerning the assessment of any person, industry or group of industries, he shall have it. If any member of the House desired to know in a confidential way, for his own information, what the assessment of any individual was, I should feel that I would give it to him.

Sir WILFRID LAURIER: When my hon. friend says that he is in the hands of the House in regard to this matter, I think that he evades the question. The House does not give guidance to him; it rather expects guidance from him. I should not say that his advice would be followed in every case, but certainly the House would not pass in judgment upon a matter of this kind until it had the advice of my hon. friend. A motion made with a view to inquisitiveness or with a desire to inquire into the business of any individual should not, perhaps, be granted without cause shown. No one desires to have specific information concerning the business of Mr. So-and-So. I make no insinuation, but it is conceivable that one firm may have obtained advantage at the expense of another, and if information is asked for in that connection, I think my hon. friend will agree that the public have a right to information concerning certain businesses of a general character, such as railways and shipping companies. The flour business is of such a character that I think the information referred to should be given to the committee.

Sir THOMAS WHITE: I think I may substantially agree with what my right hon. friend has said, but it is unusual to ask a minister in advance what attitude he will take with regard to a motion.

Sir WILFRID LAURIER: We have understood ever since this matter came up in the House last session that this information would be given without any question.

Sir THOMAS WHITE: I will take opportunity during the course of this discussion to place before the committee what I did say last year. My recollection of what I said is that if the House desired information respecting these assessments, it was only reasonable, having regard to the fact that the House had authorized the taxation, that the information should be given. I do not desire to withhold any information from the House at any time, but I cannot state in advance what action I shall take with regard to any motion which may be put on the Order Paper. I shall have to consider the motion on its merits, and the arguments adduced in support of it.

Sir WILFRID LAURIER: That means that the House is not entitled to the information unless it is moved for.

Sir THOMAS WHITE: My right hon. friend himself said a few moments ago that a request for information for merely inquisitorial purposes should not be granted.

Sir WILFRID LAURIER: Exactly.

Sir THOMAS WHITE: My right hon. friend says that if a motion asking for information is put forward for inquisitorial

reasons, it should be opposed, but if put forward with the bona fide intention of obtaining information in the public interest, it should be granted.

Sir WILFRID LAURIER: I understood from the discussion which took place last year that the details of the receipts in respect of this taxation would be given. No one expects that the details of every particular assessment will be given. It is not expected that we should have a return showing that Mr. So-and-So paid $500, and somebody else $600; but we do think that we should have information as to the amounts paid into the treasury by different classes of industries. I think that information concerning industries of the character to which reference has just been made should be given without motion.

Sir THOMAS WHITE: If my right hon. friend will place on the Order Paper a resolution asking for returns with regard to taxation, I shall have no disposition to withhold any information, because I do not believe that my right hon. friend would bring forward a motion of that kind with any other than a proper intention.

Mr. PUGSLEY: I hope the minister does not suppose that I would do anything of that kind.

Sir THOMAS WHITE: Not for a moment. The hon. gentleman is the last person I would think of in that regard.

Mr. PUGSLEY: A few days ago, when this matter was under consideration, I suggested that the committee was entitled to this information, especially with regard to the flour and the milling industries. I understood the minister to say then that he would bring down the information. If the minister is not prepared to do that, I think he ought to allow the consideration of this resolution to stand until the information is obtained. It is not mere inquisitiveness which prompts members of this Committee to seek information as to the excess profits, running all the way from 20 to 100 per cent, which the manufacturers of flour and the producers of other necessaries of life are obtaining, a portion of which goes into the treasury, and about which the minister boasts so enthusiastically every time he refers to his Budget. The country has a right to know what these enormous excessive profits are which are taken out of the people and what portion of them has gone into the treasury.

[Sir Thomas White.]

Sir THOMAS WHITE: As to what I stated the other day, I quote from page 1511 of Hansard:

> Mr. Pugsley: Could the minister not furnish to the House a statement of the excess profits which have been made by one industry as an example? Take the flour milling industries of the country.
>
> Sir Thomas White: I could give them if they were asked for. As I said last year, if a motion is adopted in the House for returns of the assessment of this business tax, the papers will be laid on the Table.

Mr. PUGSLEY: Read a little further.

Sir THOMAS WHITE: That is the answer that I made.

Mr. PUGSLEY: Oh, no.

Sir WILFRID LAURIER: Read a little further.

Sir THOMAS WHITE: I stated the other day that if a motion were adopted, we should be prepared to bring down the papers.

Mr. PUGSLEY: If my hon. friend will read a little further, he will find that, whether he intended to or not, he led us to believe that no formal motion would be necessary.

Sir THOMAS WHITE: I do not think I could have stated it more clearly than I did; that if the House adopted a motion, I would bring the papers down. In the discussion of this matter last year I said, as reported on page 2637 of Hansard:

> I do not think it desirable that publicity should be given in the way that my hon. friend suggests. I have already said that, if Parliament desires a return, such a return shall be brought down. This is a business tax dealing with private affairs of individuals, firms, and companies, engaged in business throughout the country, and while Parliament is entitled to any information as to the results of the tax, I do not believe the details should be advertised any more than is necessary.

That is what I said last year, and I stand by that.

Mr. PUGSLEY: When this matter was discussed a few days ago, the member for Carleton, N.B., (Mr. Carvell) said:

> The big milling companies publish their statements and the companies have a good idea of their profits. But there are hundreds, and I trust thousands of small milling companies and millers all over Canada, and I think the public have a right to know how much they are contributing and how this tax has been levied. That information should be brought down, I think, without Parliament demanding it.

To which the minister replied:

> That was discussed last year in the House, and I then made the same statement that I have made to-day.

Sir THOMAS WHITE: What was the statement that I made to-day? It was that if a resolution was adopted, the papers would be brought down.

Mr. PUGSLEY: No.

Sir THOMAS WHITE: I have just read what I said.

Mr. PUGSLEY: Mr. Carvell said:—

Mr. Carvell: Would there be any objection to producing statements showing the persons, firms and companies, and the amount paid by them for the first accounting period?

Sir Thomas White: I would consider that. I do not know whether we have that information. We received some very large cheques in payment of these taxes.

There is no suggestion there of a formal demand. I said a little later on:—

Mr. Pugsley: The reason I suggested the milling industry is because the people are intensely interested in the increasing price of flour, and I think that before we pass the Bill we ought to have a statement from the minister of the excess profits of the milling industry last year. I think the public would like to have that.

Sir Thomas White: That matter can be raised at any time.

Sir THOMAS WHITE: I agree entirely with what I said. If my hon. friend desires any information as to this let him put a question on the Order Paper asking for the information and the matter will receive consideration.

Mr. PUGSLEY: Now is the time, and I may say to the minister that I am asking for the information.

Sir THOMAS WHITE: I am asking that the question be put formally.

Mr. PUGSLEY: With all deference to the minister, I say that I think the committee ought to have the information before coming to a decision in regard to this resolution.

Sir THOMAS WHITE: What I say in respect to that is this: the Business Profits War Tax Act imposes a tax of a certain definite proportion of the profits in excess of 7 per cent. The consideration of this measure has no necessary connection with the earnings of any group of companies, because the taxation is imposed having regard to their profits. There is, therefore, in my view, no reason why we should not proceed with the consideration of this measure as we are doing, subject to this, that if my hon. friend desires any information as to the profits of any particular business or industry I would suggest that he place a question upon the Order Paper, and the matter can then be considered by the Government. That is the position I shall take.

Sir WILFRID LAURIER: My hon. friend has just stated that the object of this tax is to obtain a certain definite proportion of the profits in excess of seven per cent. That is a sufficient answer so far as it goes, but there is another aspect of the case. The complaint has been raised that certain industries are making undue profits; that they are profiting on the needs of the community, profiting and speculating upon the hunger of the people. That complaint has been asserted and it has been denied, but we have the evidence of its correctness. No one supposes that my hon. friend did not properly discharge his duty; that he did not collect all that was due, but he might furnish the public with information for which they are seeking and which might be of value at the present time in reducing the high cost of bread and other food.

Sir THOMAS WHITE: My right hon. friend is quite fair in his presentation of his views. He says that this information might be of use at the present time when the price of food is high, but that matter is entirely separable from what we are doing now in considering a taxation principle.

Mr. PUGSLEY: How is it separable?

Sir THOMAS WHITE: If my hon. friend will put on the Order Paper a question asking for the information he desires, that matter will be considered on its merits, just as this matter is being considered on its merits; but to say: Will the minister bring down the information regarding the amount of taxation imposed upon members of a particular industry, and then when the matter comes up again, to ask for similar particulars in connection with another industry, is not a proper method of dealing with this measure, because the two matters are separable. My right hon. friend is quite correct in saying that the people are interested in the profits of these companies from the standpoint of the high cost of food. If he will move on that ground, personally I should be prepared to give quite favourable consideration to his motion, but the matter does not necessarily arise in connection with the consideration of this measure, and therefore, I cannot concur in the suggestion that we should defer consideration of this measure until that and other information is brought down, because I do not believe it is cognate to this measure.

Mr. ROBB: It was stated officially about six weeks ago that there were still 102,000,000 bushels of wheat in Canada, and since that time the price of wheat has advanced by one dollar a bushel, which would mean an advance of $102,000,000. We know that the Minister of Agriculture was compelled to go to an outside purchasing commission to secure wheat for seed and that the price was fixed at fifty cents a bushel over the price in effect six weeks ago. Will this purchasing commission contribute of its excess profits under the Business Profits War Tax Act?

Sir THOMAS WHITE: I do not understand the question of my hon. friend at all. I know nothing about the purchasing commission he speaks of. The Act is very simple in its application; if any firm engaged in business makes profits beyond a certain percentage, then the tax would apply. I am sorry that I can not answer my hon. friend's question, because I do not understand it.

Mr. ROBB: We are told that the Allied Purchasing Commission controls all the wheat in Canada to-day.

Sir THOMAS WHITE: That is the British Government.

Mr. ROBB: Yes, and Canada through her official representative had to go to this commission to obtain the wheat required for seed purposes.

Sir THOMAS WHITE: I do not know that.

Mr. ROBB: And the price was fixed at fifty cents per bushel over the price in effect six weeks ago. It is apparent, therefore, that some persons have made $50,000,000 on this deal if the price remains at that level until they get rid of that wheat. Will they contribute under the excess profits tax?

Sir THOMAS WHITE: I do not understand the question of my hon. friend, because in the first place I do not know that the Minister of Agriculture did go to the British commission, although he may have gone; nor do I know that he got the wheat and paid for it. I would be glad to answer my hon. friend's question if I had the information.

The hon. member for South Renfrew (Mr. Graham) referred to the question of conscription of wealth. That is a rather vague term, and I could not help but reflect that his remarks were somewhat inconsistent.

[Sir Thomas White.]

He started out by attacking this tax—and I must say that his criticism was of a moderate and fair character—as being too severe, and then he suggested that the time had come for conscription of wealth. Without using that term, the Government in connection with this excess profits measure, now before the House, is endeavouring to take a substantial portion of profits which might be regarded as abnormal and arising largely from war conditions. That is one of the principles underlying this new taxation.

Mr. PUGSLEY: With regard to the statement of the minister that he does not think the question of profits, which the milling companies and companies producing other necessaries of life have made, and out of which profits the Government has derived in the past year and expects to derive in the present year large sums, has anything to do with the resolution now before the committee, I respectfully beg to differ from my hon. friend; I think it has a great deal to do with it. The minister has stated that out of these taxes he expects to derive a certain amount of revenue for the purpose of carrying on the services of the country. In that connection, Parliament surely has a right to know as to whether that expected revenue is to be derived from enormously excessive profits or whether it is to be derived from reasonably excessive profits. This Parliament and this country have a right to know that; we have a right to know whether those excess profits out of which the minister expects to derive a proportion of his revenue, are 50 or 100 or 200 per cent beyond what are fair and reasonable profits. I am surprised that the minister should ask a committee to pass a resolution and at the same time refuse to furnish us with that reasonable information which we have a right to expect. I certainly understood the minister to state a few days ago that if any hon. member asked for this information, it would be brought down.

Now is the time to bring it down before this resolution is further considered by the committee. My views will not be potent with the minister, of course, if he has determined not to bring the information down, but I think the committee ought not to be asked to pass the resolution until we have that information. This is a question in which the people of this country are taking a most vital interest. The poor people of this Dominion are simply being ground to the dust by the high cost of liv-

ing. Think of it, Mr. Chairman! In this country, which is capable of producing not only two or three or five hundred million bushels of wheat, but thousands of millions of bushels, the price of wheat to-day is $3.30 per bushel, and flour has reached the enormous sum of $16 a barrel. It is simply astounding. And yet the Minister of Finance says he will not tell the House what are the excess profits of the flour millers and other producers of necessaries of life. He wants us to put this resolution through in the dark, without any information at all. Surely it is of interest to this Parliament and to the people of this country to know the amount of these excess profits from which the Minister of Finance proposes to take his share and put it into the treasury. I think it is of vital importance that we should know whether these excess profits are such as might reasonably be expected to be made under war conditions, or whether they are exorbitant profits which this Parliament should not recognize at all, and against which we should take effectual steps in order to relieve the conditions from which the people of this country are suffering at the present time. Does not the minister think this a reasonable request? Does he not think he should tell us whether the excess profits of the millers last year were $100,000,000 or $200,000,000 or $300,000,000, so that we might know what his percentage was, because the minister is a partner with the millers in the business of boosting the prices. He has made himself a partner with them, and he has taken no steps since the beginning of the war to keep down the prices. From every million dollars of excess profits which the millers take from the consumers of this country the Minister of Finance takes his share and puts it in the Treasury, and, so far as this House and the country knows, neither he nor his colleagues, not even the Minister of Labour, has ever taken one effectual step to keep prices within reasonable limits. The Finance Minister has simply winked at the taking of these excess profits out of the people, and now he comes down to Parliament and asks us to authorize him to take a larger share of these excess profits without giving us the slightest information as to whether these profits are enormous, or simply such as might reasonably be expected under the conditions existing to-day. The minister should not treat this Parliament as a machine to do his bidding. It is not fair to the gentlemen who sit behind him. He ought to realize that they have judgment, as they undoubtedly have; he ought to realize that they are men of large intelligence, as they are, but he does not realize this. He treats them as automatons to do his bidding, and gives them not the slightest information upon which they can act intelligently with regard to the proposal now before the committee. If I had the power, I would not let the minister go one step further with this resolution until he had given the committee that information.

Mr. MACDONALD: I desire to support what my hon. friend from St. John has said as to the importance of furnishing this House and the country with this information, which certainly is as ordinary a piece of information as the House could ever seek from a minister. A certain measure of taxation is proposed, and yet the Minister of Finance practicaly declines to give the House and the country the names of the men who have made these excess profits and the amounts. My hon. friend suggests there may be some reason why that information should not be given. For myself, I cannot conceive of any such reason. The Minister of Finance, however, asks Parliament to authorize him to increase the taxation along these lines, because he says it is the best method of taxation at the present time to raise money to carry on the war. If excess profits have been made, as the Finance Minister says, why should he decline to give the House the information asked for by my hon. friend?

Sir THOMAS WHITE: I am not declining to give the information. If my hon. friend will move for the information, we will consider his motion. My hon. friend has not yet told us what he wants, whether he wants the assessment of "A" or "B" or "C."

Mr. MACDONALD: The whole of it. The minister should lay on the Table, as every other minister does, a statement of his receipts and expenditures. Why should he not publish a bluebook showing just who are paying these excess profits and the amounts? My hon. friend by innuendo suggests that possibly some business may be injured by giving this information, but this legislation will certainly injure them to a far greater degree if they are making excess profits. Either this additional tax is warranted by some information which the minister has in his possession, and which he has not yet given to the country,

or he has no reason whatever for imposing it. It is certainly not the gentlemen whom the minister proposes to tax that are asking that this information be withheld from the country, because the trade and financial papers throughout the Dominion are simply full of wild denunciations of the Finance Minister for proposing this additional taxation. Their position is that the House ought to know what the facts are, so that the country can see that the Minister of Finance is wrong in proposing this taxation. If this question involved some matter of state policy, or some interest vital to the war would be affected by giving this information, I could well understand the minister following the unwritten rule that its publication would not be in the public interest. But as my hon. friend from St. John has so ably pointed out, if there is one thing that strikes at the home of the plain people of this country to-day it is the enormous price which they have to pay for the right to live. That problem is at the door of every one, but this Government absolutely refuses to deal with the matter in any way. During the time this House has been sitting this session the price of flour has doubled in this country, and so has every other necessary of life. The minister tells this House that there are certain classes in this country who are making excess profits, and he is going to impose additional taxation upon them. The hon. member for St. John argues that if that is the case, the House should be told just who are making excess profits, and what those profits are, because the Minister of Finance is a partner with them in taking this money out of the pockets of the people. We should have that information so that we can tell whether it is wise and practical to extend this taxation on this particular class. I think the Finance Minister should give the House without any reservation the amounts he has received from this excess profits tax, and from whom, and then the House will be able to decide whether it is right to extend this particular taxation. I must confess that I was under the impression that my hon. friend would have asked this House to accept an amendment to this resolution, but apparently he is going to go on with it regardless of the representations that have been made.

Sir THOMAS WHITE: I do not quite understand my hon. friend's allusion to an amendment. My hon. friend says that I should have considered an amendment.

[Mr. Macdonald.]

Mr. MACDONALD: I said that I was under the impression that my hon. friend would have proposed an amendment to the resolution in view of the representations that have been made.

Sir THOMAS WHITE: Along what lines?

Mr. MACDONALD: Along lines that will readily occur to my hon. friend. Apparently, it has not occurred to him to propose it. When we point out to him that he is taxing industry, and to that extend checking the demand for labour as well as checking production of articles so essential to the country's welfare, that he is preventing capital from doing all that it might do for the development of the country, and ask why he does not tax accumulated wealth, he gives statements which, I submit, are not adequate reasons for the course he is pursuing. He declines to tax the accumulations of the wealthy men of this country who now escape taxation, who pay nothing to the war except an occasional subscription to the Patriotic Fund.

The fiscal argument of the Minister of Finance in the past has been that we cannot impose an income tax because incomes are the special subject of taxation for both municipal and provincial purposes. Sometime in the dim and distant future we may tax incomes, but in the meantime we cannot do so because the provinces and the municipalities impose these taxes. But he taxes corporations and firms, forsooth, and contends that this is the right way for him to raise revenues. I think he has forgotten that the capital invested in these corporations or firms pays provincial taxes and municipal taxes, just as accumulated wealth pays in the form of an income tax. The hon. minister has departed from the sound principles of taxation in dealing with this whole question. Instead of dealing with the matter so that all classes may be made to pay, he is putting off the evil day. He does not follow the example of Gladstone who, when Chancellor of the Exchequer, declared for the sound policy that Britain should pay as much as possible towards the expenses of the war while the war was going on. On the contrary he practically says: We will pay as little as possible while the war is going on, we will collect from capital invested in industry, but we will not touch accumulated wealth; we are going to leave to posterity the task of paying for this war. There has arisen in Canada, by reason of the demand that has come for many industrial products, a prosperity under which wealth is made and the

accumulations of wealth increased. Yet the minister touches only the fringe of taxation, he takes from only one class, and leaves the payment for the war to the future, when the time of reaction comes, when we shall need people to come into this country and develop it, when they will probably be frightened away because of the taxes which it will be necessary to impose at that time. I say that is a wrong policy. The minister should be preparing now so that we at this time should all be doing our part, when accumulated wealth especially should be doing its part.

The hon. gentleman tells us that it will cost so much to tax these people with accumulated wealth. Why, he has in his own department machinery that is ample to reach the wealthy men of the country who are investing in his loans in order to escape taxation upon their accumulations. With this organization he has been able to reach firms and corporations from the Atlantic to the Pacific and to collect from them his business tax, and with no greater expense he could meet accumulated wealth in such a way that it will be made to pay its proportion toward the public revenue. He knows that a question of this kind is not settled by simply speaking of the cost. He could fix an amount of income beyond which taxes should be imposed in the most stringent way. This tax ought to be imposed, because, in this war time, when everything is at stake, when everything is in the melting-pot, there is no person who should escape the responsibility of contributing, to the extent of his wealth, toward our needs in this war. Our friends in the United States have not hesitated to strike in the most emphatic way at this class of wealth, and by the methods they have adopted they are raising enormous sums. But the hon. minister prefers to leave the burden to posterity. Nor does he give the House the information which would enable hon. members to form a fair judgment on the question, but he simply imposes a tax on business the result of which, according to those best informed on the subject, is to prevent the extension of industry in Canada.

The minister should be reminded that, before he taxes at all, he should economize, so as to put himself in a better position to provide more money against the expenses of the war. For instance, in public works, we have spent, since 1914, including capital account and consolidated fund account, no less than $47,000,000—practically fifty millions of dollars. Imagine, Mr. Chairman, our making so huge an expenditure in this war time. Even last year, according to figures given me from Hansard, no less than $15,000,000 was spent on public works. Why should such an expenditure go on and we leave it to posterity to pay these war bills? Why should the minister imperil the future of the country by failure to economize and by these vast expenditures? Consider how expenditures have increased within the last five years. In Dominion lands last year we spent about $1,500,000 more than we spent in the same service five years ago.

Is there anybody in this country who supposes that there is immigration coming into Canada which would warrant or justify in any way an expenditure of $1,500,000? So one goes through the various departments. In the Immigration Branch of the Department of the Interior there was an expenditure of $300,000 more than there was four years ago. Why should such extravagance exist? My hon. friend the Minister of Finance talks to the people of Canada about making sacrifices and says that this tax is justifiable because we are sacrificing our men and boys on the battlefield and that industry should also make sacrifices, but on what principle can he take this position when he and his colleagues in the Government make no sacrifices, but, on the contrary, dissipate the resources of the country without regard to the question as to whether there is a war on or not? My hon. friend last year asked this Parliament to support a proposition to give $8,000,000 out of the treasury when we are spending our blood and treasure in war, in order to get the support of the hon. member for Charlevoix and Saguenay (Sir Rodolphe Forget). Will the hon. gentleman have the temerity and audacity to come to this Parliament and ask us to permit him to take $8,000,000 from the treasury and hand it over to that hon. gentleman? If my hon. friend expects that the people are going to be impressed by the appeals made to them for sacrifice and patriotism in face of an action of that kind and repeated after fair warning was given by one of the judges in the courts of this country, I think he will find that he has misjudged the temper of the people. I could take my hon. friend through other avenues of expenditure. He has kept on expending. He has spent no less than $17,000,000 on the Hudson Bay enterprise.

Sir THOMAS WHITE: Certainly.

Mr. MACDONALD: Certainly. Why should my hon. friend increase and not diminish that expenditure at this time?

Sir THOMAS WHITE: It is being decreased.

Mr. MACDONALD: It is being decreased?

Sir THOMAS WHITE: Who started it? Who let the contract?

Mr. MACDONALD: Who started it? Who started the war?—I might as well ask my hon. friend. We are dealing with problems with respect to this year of grace 1917.

Sir THOMAS WHITE: We have reduced the expenditure on the Hudson Bay railway.

Mr. MACDONALD: In the face of a world war you are going on with that expenditure.

Sir THOMAS WHITE: We have reduced it.

Mr. MACDONALD: How much has my hon. friend reduced it?

Sir THOMAS WHITE: I understand that practically there is only a handful of men employed on the road to-day.

Mr. MACDONALD: When did my hon. friend take that position in regard to it?

Mr. REID: Some time ago. The contractor has reduced to a minimum the work on the Hudson Bay railway.

Mr. MACDONALD: I asked a question in this House not long ago, in fact, since we came back, and some one representing some department gave me the statement that $17,000,000 was expended to 1917, and that the expenditure in the last financial year was in the vicinity of $4,000,000.

Mr. PUGSLEY: I see that they are asking $3,000,000 more for the Hudson Bay railway this year in the main estimates. There is not much reduction about that?

Mr. MACDONALD: The hon. Minister of Customs (Mr. Reid) had better explain what it is that he proposes to do with this $3,000,000. Is he going to take that out of this new taxation this year?

Mr. REID: It may not be spent.

Sir WILFRID LAURIER: What is the use of asking for it if it is not going to be spent?

Mr. REID: The total amount will not be spent.

Sir WILFRID LAURIER: What is the use of asking for that which it is not proposed to spend? How much of the sum that you are asking Parliament for do you not propose to spend?

Mr PUGSLEY: He says the total amount will not be spent; there may be $50 left.

Mr. MACDONALD: Apparently we are going to have that same old story which was given to us last year; when items in the estimates came up for consideration we were accustomed to hear hon. gentlemen say that they were not going to spend the money. We accepted the assurances of the Government last year in regard to a very large number of items and it was found that a great deal of the money was spent. We have the statement of the Minister of Customs that the work on the Hudson Bay railway has been stopped, but my hon. friend is an old Parliamentarian and he has the very ingenious way of

5 p.m.

throwing out a little aside like that for the purpose of breaking the force of an argument. But, in the face of the estimates which show that they are asking for $3,000,000 to spend this year on this road, there is no sense in this Government making appeals to the people to sacrifice themselves in the way of taxation and service. The Minister of Finance tries to justify his excess business profits tax by declaring that his programme is one that ought to appeal to a particular class in war time but while making this appeal my hon. friend displays the most absolute disregard of the economies, and he has failed to appreciate and take home to himself and his colleagues the lesson that he gives to the rest of the people. In view of that, I say once more that the minister ought to present a well-considered plan of taxation in regard to the people of Canada and not hit at one particular class, especially when he could deal with accumulated wealth. My hon. friend comes along when we are passing through the greatest period of stress in the war, and tells us that posterity will have to pay the bill, but that in the meantime he is going to tax industry and capital to a certain extent and along certain lines. He has no formulated plan, no policy, no organization, no proposal which he can present to this Parliament in a sensible and practical way. Had the hon. gentleman and his colleagues, instead of merely generalising the efforts of the people of this country, assigned to their proper avocations those different forces which the country possesses, they would have done something to make effective the country's efforts in behalf of the great cause in which we are

engaged. The Minister of Finance falls short of his part. He says: Posterity will pay, but we will tax for the moment industry and capital. The Government go on spending just the same as they were doing in the past, and then they come to this Parliament, and when an hon. gentleman asks that Parliament should be given information as to where they got the money out of this tax, from whom they got it, and where excess profits were disclosed by the information collected by the Government, we cannot get that information though we desire it for the consideration of this question. It seems to me that the occasion is one that demands from the Finance Minister a reorganization of the whole financial programme and a consideration of the question as to the responsibility for our share of what we ought to pay for the war in this period of prosperity. My hon. friend ought to deal with this question in a systematic and practical way so as to place the burden on the proper shoulders. That broad way would have a better result and a more earnest application of effort upon all lines to the great questions that lie before us.

Mr. LOGGIE: I would like to point out to the minister what seems to be a hardship. Assuming that a munition man started business, say, last year, and had to invest half a million dollars in plant, and the war did not last more than a year, would the minister allow, in making out the statement, sufficient depreciation on that plant before the profits were declared to enable the proprietor to come out whole at the end of the year? How many years would he consider it fair to apply that depreciation on account of plant, because practically it will be of no value when the making of munitions ceases? If a company started last year with $200,000 or $300,000 capital, invested $500,000 in plant, and made a profit of 75 per cent on the capital invested, would the minister first allow a reasonable depreciation, so that in the event of the business being closed up at the end of the war, the capital would not be taken to make up the loss in depreciation? It seems to me that it is a fair proposition, and that the public and capital should know that from the minister.

Sir THOMAS WHITE: When I use the words "net profits" I mean net profits after taking off a proper amount in respect of depreciation. The question of depreciation is a matter of fact in each case, and industry, in making returns, should in connection with its statement, indicate the amount which, having regard to the nature of the business, should be written off, for depreciation. Then we have to consider whether or not that is a proper allowance. Each case must be determined on its own merits. In other words, the question of depreciation is one of fact.

Mr. A. K. MACLEAN: A statement was made by the hon. member for Sherbrooke (Mr. McCrea), I think on Tuesday last when the committee were considering the resolution. That hon. gentlemen discussed in a very interesting and forceful manner the action of the Government in fixing the price of paper to the public. It was an interesting statement to me, bcause certain features were disclosed which were before that unknown to me. That hon. gentleman made the statement that paper was being sold to the trade in Canada to-day at a loss. His statement has been confirmed to-day or yesterday by Mr. J. R. Booth of Ottawa, according to a statement in the press. I say that if that statement is correct, an injustice is being done to one branch of industry in this country, and I should like to have a statement from the Minister of Finance with respect to this matter. At least it would be fair for me to say that if their prices are fixed and it is true that they are selling to the trade at a loss, there should be some compensation to that industry in respect to taxation of their excess profits in other branches of the trade. I think that when the Government undertakes to fix the price of any commodity, that price, so fixed, should be just; if not it will work an injury to that particular trade and cause dissatisfaction. The member for Sherbrooke intimated rather plainly, I think, that the Minister of Finance was a little alarmed at the political influence of the newspapers if he did not succumb to their suggestions to fix the price. We have very excellent authority for that statement from another hon. gentleman. It might be said that the member for Sherbrooke is somewhat prejudiced in his statement because he is himself a manufacturer of paper, and that therefore his statement might not be entitled to very great weight in respect to this particular question. But the late Minister of Militia (Sir Sam Hughes), more than an ordinary individual, has had something to say about this matter, and when I find so disinterested a gentleman expressing the same view, I think it is time for the Minister of Finance candidly

and frankly to explain his position. The late Minister of Militia publicly and in recent days has stated that the Minister of Finance and Sir George Perley, the Minister of Militia overseas, have attempted to create an atmosphere against him for the purpose of driving him out of political life; and one of the influences which was used by the Minister of Finance, according to the late Minister of Militia, was the newspapers. The hon. member (Sir Sam Hughes) says that one of the avenues by which the Minister of Finance hoped to secure this influence with the press was by fixing the price of paper. Perhaps it would be as well that I should give to the House just what the late Minister of Militia did say, because this statement does not come from an ordinary member of Parliament, but from one who has a national reputation in a great many respects. In speaking to his constituents, not very long ago, he said—and I should like to hear from the Minister of Finance as to this:

> Another plan or scheme seems to have been the sweetening of the newspapers of Canada by departing from the first principles of the National policy to secure printing paper at fixed price, and incidentally benefit to a considerable extent the Yankee newspapers. The rich advertisements by brokers, by the Government, paid for by the poor people of Canada in connection with loans, also tended to mollify criticism of the press, and secure neutral, if not favourable consideration and comment.

I should hardly like to believe that the Minister of Finance was a party to the dictation of paper prices from the motives designated by the hon. member for Victoria. If that is correct, I say it is unjust. If the Minister of Finance thinks the member for Victoria is incorrect, that this statement is unfair, I should like to have him say so.

Sir THOMAS WHITE: I have too much respect for the press of Canada, both Liberal and Conservative, to seriously argue in this House a question as to whether they would use their great influence to obtain some business advantage for themselves. The representatives of the press of this country, without any distinction of political affiliation, came to me, as they had a perfect right to do, and asked me to consider a matter which was of the utmost importance to them in their business. They pointed out that the prevailing rates for newsprint paper were such that if they were obliged to pay them their industry would be ruined. That was a proper subject for them to bring to my attention, and it was a proper subject for me, as minister, to consider. It was considered, as I said, in the House the other day, and, after exhausting all the arts of persuasion in endeavouring to get the question between the manufacturers of newsprint paper and the press settled, we took the action that is known to the House. I may say that this action was taken after we had, through our Tariff Board, made as careful an investigation as we could as to the increased cost of manufacture to the newsprint producers. The situation in regard to cost in all manufactures is a changing one from week to week during the progress of the war. A short time ago, in order that we might have full information as to the situation, we appointed Mr. R. A. Pringle, K.C., for the purpose of investigating the cost of production and all the conditions surrounding the manufacture and sale of newsprint paper in Canada. I submit to the House that, in view of the conditions brought to our attention by the press, the action which we have taken was a proper course for any Government to take in the premises. I may say that the investigation which is now proceeding will, I believe, meet the wishes of the manufacturers themselves as well as of the newspapers, because they desired to draw to our attention facts which they regard as of importance in connection with the price which they may be permitted to charge for newsprint paper. As to my hon. friend's general statement with regard to myself and the press, I would point out that the ex-Minister of Militia had resigned before the decision as to fixing the cost of newsprint paper had been reached by the Government. There would be no connection, therefore, such as my hon. friend suggests as between cause and effect.

Mr. GLASS: In discussing the business profits tax, the hon. member for South Renfrew pointed out that the manufacturers who under the present extraordinary conditions were earning large profits could not tell when those profits would be cut off. Many of the factories now engaged in the manufacture of munitions and other war supplies were doing other business previous to the outbreak of war; they simply readapted their machinery and converted their plants in such manner as to make them capable of producing munitions. The amount of depreciation in respect of such industries would not be so great as in the case of those which went into business in the first instance for the sole purpose of manufacturing munitions and war supplies. I understood the minister to say that in

submitting their statements to the department, firms were allowed to estimate the amount of depreciation, and it was for the department to determine whether the depreciation estimated was fair and proper. I was going to ask, before the minister answered the question regarding depreciation, whether a fixed ratio of depreciation was allowed by the department in all cases. I can conceive that such an arrangement would be hardly fair to such industries and factories as my hon. friend (Mr. Loggie) has referred to. I suggest, then, that the depreciation in respect of factories which have been equipped for the special purpose of manufacturing munitions or supplies which are peculiarly incidental to the conduct of the war would be larger than that of the factory which simply has to readjust itself to former conditions after the war is over. My hon. friend referred to the remarks of the hon. member for Pictou concerning the criticisms directed by the press against the tax rate suggested under these proposals. I agree that certain papers, which are behind the interests mostly affected, severely criticise the proposed taxation, but the press at large admit that the principle of the taxation is along the right lines. Whether or not it is excessive is a question for the House to determine. It is possible that in view of the increasing demand for the product of these factories, very large extensions to the plants may be necessary. These extensions will involve an investment of capital which will be productive of return only for a short period; consequently a very large amount may have to be written off for depreciation. Moreover, a firm might find itself embarrassed if, in order to pay these taxes, it had to use money that would otherwise be used for extension of plant. No matter what decision may ultimately be arrived at, it must be evident to all that it would be a very serious thing if, by reason of the imposition of a tax or of any action taken by the Government, any industry should be retarded or embarrassed. I am quite satisfied that the Government has no intention of taking such action, but I submit that this is a matter which should seriously engage its attention before the question is finally disposed of.

Mr. A. K. MACLEAN: When the Minister of Finance put into force the additional 7½ per cent duty, he promised us that the statistical departments would disclose in the annual statements just what amount came from free goods and what from application of the 7½ per cent to the general tariff. That statement has never very clearly appeared, and I think that it is in the general interest that the information should appear in the Customs and Trade and Commerce returns. I obtained some figures from the Customs returns and used them during the debate upon the Budget. Although they were not later contradicted, at the time I made the statement some hon. gentlemen opposite seemed disposed to question them. For instance I find that the total Customs war tax for the fiscal year 1915-16, as given on page 192 of the Customs return, was $21,814,000. I assume that that was the amount of revenue recovered from the 7½ per cent tax on dutiable and free goods. During that year there was an importation of $254,000,000 worth of goods formerly free. If those goods paid an import tax of 7½ per cent, the amount paid into the treasury would be $19,000,000. This would further show that the amount of revenue recoverable by the 7½ per cent tariff on dutiable goods amounted to only $2,000,000. The minister this afternoon stated that the total amount of revenue received from the 7½ per cent tariff tax for the year just closed amounted to $37,000,000, $20,000,000 of which was attributable to the tariff on free goods and the balance to the surtax on dutiable goods.

If the figures to which I have referred for the fiscal year 1915-16 are correct, I doubt very much the accuracy of the figures which the minister has given this afternoon. I have always doubted the wisdom of applying the 7½ per cent increase to the dutiable list; in fact, I have always protested against it. I have never believed it to be in the commercial interest of the country, and I doubt very much if it gives us any substantial revenue. The point, however, that I wish to make at the present time is to urge that those figures be carefully kept, and that they appear in a prominent place in our statistical returns, so that we may have an opportunity of knowing just what is the effect of the imposition of the 7½ per cent tax on dutiable and non-dutiable goods.

Sir THOMAS WHITE: I have not looked into the matter especially, but it was my intention that the information should appear in the customs returns, and I think I so stated to the House at the time that I introduced the Budget in 1915 or in the discussions in connection with that Budget. Although my hon. friend usually presents his statements as clearly as any other hon.

member, I have never been able to follow him in what I take to be his assertion that we have derived no revenue in respect of the 7½ per cent increase in the general tariff. My hon. friend must know that we must get at least 7½ per cent upon all the volume of dutiable goods to which the 7½ per cent applies, as well as 7½ per cent upon the free goods.

Mr. A. K. MACLEAN: Of course you get some revenue, but the general effect of the 7½ per cent increase is to prohibit importations, and the net result is that you would have secured more revenue if you had not applied the increase at all. That is what I mean.

Sir THOMAS WHITE: I find in the report of the Customs Department for 1916, which is the last report available, that the amount derived from the war tax on the general tariff is there stated to be $21,814,000, and that on the preferential tariff is $3,442,000.

Mr. MACLEAN: Those are the figures I quoted.

Sir THOMAS WHITE: In 1917, the total was $37,800,000 or nearly $38,000,000. There is an enormous value of imports which were not free before on which we get 7½ per cent, the amount of the increase in the tariff. We also get 7½ per cent or 5 per cent, according to whether a commodity is on the general tariff or the preferential tariff, from a large list of free goods. It may be that my hon. friend has overlooked the fact that there is to-day a very considerable list of commodities that are free from the 7½ per cent and the 5 per cent tax.

Mr. MACDONALD: Will the minister tell us how much was collected during the last financial year from all the sources of what is known as war taxation?

Sir THOMAS WHITE: I am afraid that I could not do so offhand except in very general terms. The war taxation under the tariff amounts to $37,000,000; the bank tax upon circulation would yield about $1,000,000; the loan companies and trust companies probably contribute $300,000 or $400,000, and then we have collected $12,500,000 in the first year under the Business Profits War Tax Act, and possibly $20,000,000 in the second year. We are not able to estimate the latter because we have not the figures before us. The total amount would be in the neighbourhood of $50,000,000.

[Sir Thomas White.]

Mr. LOGGIE: The minister is perhaps hardly accurate in that.

Sir THOMAS WHITE: I do not suggest that I am accurate, because I have not the information.

Mr. LOGGIE: The minister has not mentioned the excess amount he gets from spirits and tobacco which would be between $6,000,000 and $7,000,000.

Sir THOMAS WHITE: I am not sure if that amount is correct.

Mr. LOGGIE: He also gets about $37,000,000 from customs, about $15,000,000 from the business tax for last year, about $1,000,000 from banks and about $6,000,000 from extra postage, or a total of about $66,000,000.

Sir THOMAS WHITE: I am much obliged to my hon. friend. I think $60,000,000 is nearer the correct amount.

Mr. SCHAFFNER: Is any separate account kept of what is collected from the banks and railways? Can that information be got in a definite form?

Sir THOMAS WHITE: Yes.

Mr. MACDONALD: Will the minister let us have an estimate as to the actual additional amount he will secure from the business profits war tax this year? I cannot find that information in any statement he has given.

Sir THOMAS WHITE: I am sorry that I am not able to give my hon. friend the information, and that is the reason I did not see the relevancy, if he will pardon me for saying so, of the argument which he put forward. My hon. friend suggested that we should have the information which would enable him to know the amount of taxation which we would take from companies upon excessive revenues or profits. The reason I am unable to give that information is because we have not the returns. This taxation applies only to the last accounting period, and the information as to that accounting period is not before the department and will not be for some considerable time. It will not be before the department in its entirety until July, 1918. I do not desire to withhold from the House any information I have, but it is not possible for me to give the figures to my hon. friend.

Mr. MACDONALD: My hon. friend must have the information for some years. What year is it for which my hon. friend has the information?

Sir THOMAS WHITE: Practically the whole of 1915—two years ago.

Mr. MACDONALD: Is that the financial year which ended in 1916?

Sir THOMAS WHITE: No, the financial year which ended in 1915.

Mr. MACDONALD: Has my hon. friend no data gathered that would enable him to predict how much the application of this extra rate yielded in the financial year 1915-16?

Sir THOMAS WHITE: I am sorry to say to my hon. friend that the data would not be useful to us in reaching the amount, and for this reason: in the first place, there were some concerns that made little or no money during 1914-15, because that was the period of dislocation succeeding the outbreak of the war, but some of those companies, I think, have done very well this last year. I reach that conclusion by reason of the conditions that have prevailed in the country, and I assume that those companies will make large profits. Other concerns that made large profits on the outbreak of war will not make so much during the last accounting period, for the reason that they had large supplies of goods or commodities on hand which appreciated in value when the war broke out. Some grain companies for instance, made large profits in the year succeeding the outbreak of the war, because their commodities appreciated in value very considerably on account of the war. As to how they will have done this year I am unable to say, because I have not the returns.

Mr. MACDONALD: It would be a matter of great importance to the House and to the country if the minister would give an accurate statement of the figures as to which my hon. friend from Northumberland (Mr. Loggie) has made an estimate. I think this committee, dealing with taxation and considering what is the best method by which the finances of the country in connection with the tremendous burdens imposed on account of the war shall be raised, and all the other matters which are germane to that, should know how much money the Minister of Finance has raised out of the extra taxes during the last two years. My hon. friend ought to be able to get that information without much difficulty, and I should like him to give us the assurance that he will place it before the House after dinner, or at some other time.

Sir THOMAS WHITE: It would have to be simply an estimate. In the first place we know that the tariff produced $37,000,000. In the second place we know that the first year of the excess business profits tax produced $12,500,000; I do not know what the figures for the second and last periods will be. My hon. friend also estimates about $66,000,000 from post office and excise returns. My own idea would be that from $60,000,000 to $65,000,000 would be a fair estimate, and which my hon. friend will not fail to observe is about the amount we set aside for reducing the principal of our war debt. In addition to that, we paid the increased interest, and the pensions.

Resolution agreed to.

On resolution No. 2:

2. That for the purposes of the said Act, the actual unimpaired reserve, rest or accumulated profits held at the commencement of an accounting period by an incorporated company shall be included as part of its capital as long as it is held and used by the company as capital;

That any enactment founded on this resolution shall be deemed to have come into force on and from the eighteenth day of May, one thousand nine hundred and sixteen;

Mr. A. K. MACLEAN: Why was that date fixed?

Sir THOMAS WHITE: This section is to remove any doubt as to the amount accumulated profits which would be allowed as capital. We allow the amount which has accumulated at the commencement of the accounting period. It was set up by a few firms that we should take accumulated profits into account, say every month or so during the period. That was not the intention when the Bill was introduced. we are allowing now as capital in the ordinary sense, reserve and accumulated profits as at the commencement of the period. The 18th of May is the date when the original Act came into force.

Mr. MACDONALD: Is there any change in the interpretation of the word "capital"?

Sir THOMAS WHITE: This is merely an amendment to the Act. I think my hon. friend was out when I explained why it was necessary to enact this second section. We defined capital last year as including unimpaired reserve and accumulated profits. We had in mind at the time that that would mean accumulated profits at the commencement of an accounting period, but one or two firms have set up that they should be allowed to take profits every month or so during the term, and compute the

seven per cent on those. A company, let us say, at the commencement of an accounting period has a certain unimpaired reserve, a certain capital and a certain amount of accumulated profits. We claim that in calculating the profits the seven per cent should be upon those three things, capital, unimpaired reserve, and accumulated profits at the commencement of the term, and this amendment is simply to effectuate the intention we had at that time. The Act will be administered accordingly.

Mr. MACDONALD: I am sure that any one who read the debates last year must have got the impression that my hon. friend was proposing taxation which would last to the end of the three year period. I think if my hon. friend will read Hansard of last year he will find that he almost expressly said that the taxation he then proposed was final for the three year period. I am very much opposed to retroactive legislation except for the purpose of correcting a manifest mistake, and while it is within the power of Parliament at all times to pass legislation remedying conditions that may have resulted from previous enactments, I am sure my hon. friend will agree with me that the wisest policy for a prudent minister to follow is to avoid retroactive legislation if at all possible. I think the minister will be bound to admit that, whether intentionally or not—and I think it was with the very best intentions—he gave the impression to the country and to the parties directly affected that the scheme of taxation he proposed last year was a finality for the three year period, so far as this method of taxation is concerned. I will not repeat the arguments I ventured to make earlier in the day, but I think the minister should have presented to Parliament a comprehensive system of taxation dealing with all the necessities of the war at the present time. Retroactive legislation such as my hon. friend proposes is not wise or justifiable legislation, and I think the minister should explain to the House why he proposes retroactive legislation of this character.

Sir THOMAS WHITE: I would not regard Section 2 as retroactive. It is quite common to pass an amendment making more clear the purpose of existing legislation. No hardship will follow from this. The Act has been administered on the basis that capital includes undistributed profits as at the commencement of the term. If one were to set up the contention that under the definition of "capital" as enacted last year, seven per cent should be taken, say, on daily balances of undistributed accumulated profits, my hon. friend can see that that would be a fantastic interpretation of the Act. In statements made by companies we usually find these three items placed under the heading of liabilities: Capital, reserve, and accumulated profits, or open profit-and-loss account. These terms have well-understood meanings. They mean that there is that amount of assets not distributed to shareholders. This Act has been administered upon the basis of considering undistributed profits as at the commencement of an accounting period, as a part of capital. No exception so far as I know has been made to that. I cannot imagine that any hardship will result from this section.

Mr. MACDONALD: The minister has dealt with only one phase of the subject. He has not told us whether I am correct in my statement that he had declared that this class of people would not be called upon for more taxes during the three-year period. Certainly, the impression one gets from reading Hansard of last year, as well as one's recollection of the debate, is that the minister was not coming back to this particular form of taxation during this period. I need not quote what I have under my hand; the minister repeatedly stated that later on the necessities of the country under war conditions might necessitate other forms of taxation, but he just as clearly indicated that he was not coming back to this particular class of taxation, that he would not increase the taxes upon these people within the term fixed by this law. I think he will admit that that is the effect of his statement, and I think he should tell us why he comes back to these same people for more money instead of seeking other avenues of taxation.

Sir THOMAS WHITE: The hon. member (Mr. Macdonald) raises a wider question. My statement as I made it, and as it is reported in Hansard, is clear. I stated that this tax would be limited to a period of three years; I did not say that it would not be increased. The action now taken is not inconsistent with my statement of last year. But even suppose—though I do not admit it as a matter of fact—that my statement was as the hon. member understood it, the fact remains that this is a time of war. Governments in war time must, from time to time, take such action as they deem in the public interest. Personally, I should be the first to favour giving force and effect to any undertaking that a minister might

give. I did state that this tax was limited to a period of three years, and I repeat that. The hon. gentleman may ask me: is it your intention to renew it next year? My answer is: No. And for this reason—I did undertake that the tax should be for a three-year term, but I did not undertake that it should not be changed and modified. In the nature of things, at the end of this year, even if the war is not ended, we must be comparatively close to the end of it. I stated when the subject was under discussion before that a tax of this kind, while an eminently proper one for war time, is not a good taxation measure for a peace time. It is not well that there should be fear of a business tax in time of peace, because that is the time when we desire capital to flow into the country and when a severe tax on profits may injure business. That is one reason why I do not share the apprehensions of those who say that this tax is going to do the country considerable damage. No Minister of Finance desires to impose taxation, even excess profits taxation. But an excess profits tax is a very fair tax, and, if limited to a certain period so that business men may know that it is coming to an end, it does no great injustice.

The hon. member for Pictou has contrasted our taxation proposals as to the money invested in business and as to the money invested for income purposes by individuals. But he has overlooked one very important point. So far as I know, there are very few men in Canada with a capital of, say, $100,000 who derive any more than six per cent by way of income upon that capital. Now, on capital invested in business we exempt the profits up to seven per cent, and from seven to fifteen per cent all we take is one-quarter. So that, logically, there is no discrimination against capital invested in business, because the tax applies only upon excess profits in business. If we were bringing down a taxation measure which took a portion of the capital invested in business, I would be the first to agree with my hon. friend that there was a discrimination against business in favour of those who have put their capital into some other investment.

Mr. MACDONALD: But money invested in business employs labour and helps on the industries of the country, while accumulated wealth from which an interest income is derived lies inert.

Sir THOMAS WHITE: I do not agree with my hon. friend there. The revenue derived from investment by men who have large incomes does find its way back into productive industry. Very often, these men are holders of bonds and shares in industrial companies. Another thing which I pointed out the other night is this: an income tax would fall very heavily upon the men who are immediately affected by it. Suppose that my hon. friend is a majority shareholder in a company subject to this tax. I need not tell him as a lawyer that the amount paid to the Government under the provisions of this Bill could be distributed to the shareholders by the directors. Does it help a company that is subject to this tax if, in addition to taxing their shareholders, I impose an income tax upon those shareholders? This is ground that we have gone over two or three times, and I am sorry to bring it again to the attention of the House, but the statements of my hon. friend from Pictou seem to call for a reply.

Mr. MACDONALD: The fact remains that in all our cities there are men who escape taxation absolutely at present. That is the complaint of the country. What does the minister say to that?

Sir THOMAS WHITE: The capital in industrial companies and in business of all kinds escapes taxation up to seven per cent, and over seven per cent we take only a percentage. This excess profits tax has been criticised, but we must remember that nearly all nations are resorting to this tax, as a proper one. In England, the excess profits tax is very severe. The principle is that, being excess profits made during the war, the state must take a substantial share of it. As I say, I believe that this is a good measure in time of war, but not in time of peace. I never would think of imposing it in time of peace; let the ordinary law of supply and demand govern then. In time of peace all the things that influence that law have full force and play; but that is not true in war time, for then industries make abnormal profits; they make, it may be, fifty or even a hundred per cent where formerly they made no more than five or six per cent. It seems to me sound to take the profits of companies which profits are undoubtedly due to war conditions. I think that is a principle recognized by all the belligerent countries.

Mr. MACDONALD: I do not say that the minister should not have a business profits tax; the point I make is that he

should go further and open up other avenues of taxation. In Britain the business profit taxes are only a modicum of total taxation. Taxation there reaches accumulated wealth. They have reached landed proprietors and the hereditary wealth of the country. The United States scheme of taxation, while it has business profits included in it, does not rest upon that source alone. They deal with income, with accumulated wealth and with a great many new sources of taxation, an example of which my hon. friend would have been wise to have followed this year instead of practically going back upon the position which he took last year, namely, that the proposed taxation would last for three years. He should have gone to other sources this year because the taxation which is paid by the business people of this country is so extraordinary and unusual that it is bound to create an onerous condition of such a character as will impair and interfere with industries. That is the criticism I make in regard to the policy but not in regard to the principle of the Business Profits Tax itself.

At six o'clock the House took recess.

After Recess.

The committee resumed at eight o'clock.

Mr. MACDONALD: I find, on looking into the situation in the United States, that, although they are proposing to raise very much more revenue from the business profits tax, they have not attempted anything like the excessive measure proposed by my hon. friend. In the United States the taxation Bill recognizes the right of the business man, corporation or firm to have 8 per cent of revenue on the amount invested, and the former business tax involved an imposition of only 8 per cent of the amount over that. Under war conditions this year the additional taxation imposed is only another 8 per cent, or 16 per cent of the amount, no matter what it may be. That is very much less than my hon. friend proposes. Not only that, but in England the taxation is placed upon the real excess profits. My hon. friend assumes that, in war times and in peace times alike, the manufacturer has no business to earn more than 10 per cent on his investment without giving some of it to the public. In England a comparison is made between the present profit of a company and the profit made by it in peace times, and the imposition is made upon the excess which comes as a result of the war, what might properly be called war profits. My hon. friend takes no consideration of the fact that there should be a difference between peace times and war times. He taxes without regard to the difference in profits during peace and war. For that reason, I submit that my hon. friend has gone too far in his proposal. A very wise writer on this question of taxation, particularly war taxation, lays down the principle that taxation should be economically wise and should be such taxation as is compatible with the continuance of active enterprise and is calculated not to slacken the industry or dampen the loyalty or patriotism of the citizen. To that proposition no exception can be taken. But my hon. friend's proposals do not come under that proposition, and the exactions he is taking will slacken the industry, impair the prospect of capital investment, and dampen the patriotic enthusiasm of the party who is being taxed.

In regard to income tax, upon which the minister has shifted his ground several times, it would be interesting to see how the income tax proposals of the United States work out. Under the original law for the taxation of incomes which has been on the statute book for quite a period of years, no income under $5,000 is taxed. An exemption was made of $2,000 for the heads of families. Under the law of last year, September 16, for the first time and in the face of the entrance of the nation into the war, we find provision for the taxation of incomes of $3,000, and from these $20 a year is taken. From the $4,000 man, $40 is taken, and from the $5,000 man, $60 is taken. The $10,000 man practically contributes $200, and then for each amount of $15,000, $20,000, $25,000, $45,000 and $50,000 a year the amount of taxation increases gradually until the $50,000 man pays approximately $4,000 a year to the state. As the income increases to $150,000, the tax increases to $24,220 under the new law, and parties in receipt of incomes greater than that amount pay on a very much higher scale, until the man with an income of $1,000,000 pays $380,000 a year to the state. My hon. friend could very well begin taxing people who are in receipt of $20,000 a year and over. My hon. friend has failed to approach the problem of taxation for the war on a scientific basis; he is outlining no definite plan by which all parties in the state should contribute in accordance with their ability to do so. He

is simply dealing with temporary expedients, the effect of which we have already pointed out. But if my hon. friend is at all prepared to consider this question, there is no reason why an income tax should not be framed for dealing with amounts lower than that if it is to be made a matter of permanent policy, and I reserve all statements in regard to what might be done under a permanent policy. I want to point out to my hon. friend that there are hundreds of men in this country, if not thousands, who are in receipt of incomes of $20,000 a year and more, and there is no reason why my hon. friend should not, through the machinery he has at hand, reach those people and compel them to pay. He could take $1,000 a year from a man earning $20,000 a year or upwards. But my hon. friend has set his face against that for numerous reasons which he has given from time to time, and the only virtue one can have in referring to the matter is to point out what my hon. friend might do which he has left undone. There is another question: My hon. friend seems to think that he should not lay before Parliament a statement of the amounts he has received from the men who have furnished data in regard to the business tax, that all data in regard to it should be withheld from the consideration of this House and the country. I am at a loss to know why that should be so. Of course, my hon. friend intimates that if we move in the House for that information he will consider what he will do, but I have to point out that in the United States that data is made public. There is no such reservation there. For instance, I find in the papers of the United States information which could only be obtained from the public records dealing with business profits there, that for the year 1915, 366,433 corporations made income returns, of which, however, 172,532 reported operating deficits. The yield of this tax assessed on corporations, on the basis of returns filed, was $51,844,422. It is estimated that the return from the additional taxation would amount to at least $200,000,000 more. If, in the great nation to the south of us, with all its ramifications of corporation work, it is not found that an injury to the public interest is caused by giving to the world a statement of returns furnished by these corporations in answer to a taxing law, on what possible basis can it be urged that we should not have the same information furnished in Canada? The consideration suggested by my hon. friend from St. John (Mr. Pugsley) this afternoon seemed to be overpowering. In the United States, the great bulk of extra money required for the war is not expected to be made from the business profits source, as my hon. friend is making it solely in Canada, but from the income source, from the accumulated wealth; whereas they expect to get only $250,000,000 from the business profits source in the United States, the estimates of the income tax run from $500,000,000 to $700,000,000.

Before these resolutions pass, therefore, my hon. friend should consider the advisability of changing his proposal in some way. It is the very reverse of scientific. It is class legislation; it will interfere with industry and with the investment of capital and leave absolutely untouched the accumulated wealth of Canada—the source from which the nation should draw in such a time as this. Hundreds of millionaires in Canada ought to be made pay. My hon. friend will have no difficulty in reaching them; the efficient tax collector who had to do with the business profits tax will look after it if my hon. friend will give him the full authority.

Sir THOMAS WHITE: In referring to the proposed United States business profits tax, my hon. friend overlooks the fact that the United States has not been at war for three years. The United States has had three years of prosperity such as she never before experienced in her history. Congress is considering a taxation measure for present needs, but my hon. friend would hesitate to predict what degree of taxation the United States may resort to before the war is over, especially if it lasts another three years. Canada has organized an expeditionary force of over 400,000 men. If my hon. friend will multiply that number by 13 they having 13 times our population he will find that a corresponding effort on the part of the United States would result in the organization of a military force of 5,000,000 men. So that in criticising the taxation measure which the Government lays before the House, the position of the United States in respect to taxation, having regard to the stage at which they have arrived in the war, is no criterion by which we should be guided. When this war broke out I did not immediately propose an excess profits tax. In August 1914, we brought down a mild measure of taxation; we raised the excise duties upon liquors, cigars and tobaccos, as well as the duties upon sugar and certain other commodities. In 1915

we raised the tariff to 7½ per cent and 5 per cent—the United States proposes to raise the tariff 10 per cent at this stage. Then we introduced the other measures of taxation with which hon. gentlemen are familiar; so that we have been progressive in our taxation measures. The action of Congress at this time, therefore, is not a criterion by which our measure should be judged or upon which we should act. My hon. friend has suggested that we should tax incomes of $20,000 and over. I am positive that if I brought in any such measure my hon. friend would be foremost in criticising it as most unjust to a limited class of individuals. He would have the tax limited to incomes of $2,000 or $3,000. My hon. friend would oppose any measure of taxation that we should bring in; it would make no difference what it was. He has one advantage over most of us, whether on this side or on the other side: he was born a partisan. Any measure of taxation, therefore, proposed by the Government would meet with the opposition of my hon. friend. He complains that we are letting the millionaires off, but his criticism this afternoon has been largely —I will not say at the instance of, but he has had them in mind—in respect of large firms or establishments that can well afford to pay this tax. The Nova Scotia Steel & Coal Company is in my hon. friend's constituency; I should not be surprised if he had that firm particularly in mind. I know Mr. Cantley well enough to be sure that he does not mind paying taxes for war purposes upon the profits of the company which, I am glad to say, have been considerable since the outbreak of the war. My hon. friend has been trying to ride two horses this afternoon, and he has not been successful. He has been saying, during the course of this discussion, that he is in favour of the excess profits tax, but he has been criticising it because he knows that there is some dissatisfaction because it is fairly severe. Why does my hon. friend not say either that he is in favour of a severe excess profits tax, or that he is not? He will not do that, because he is attempting to ride two horses at the same time.

Mr. MACDONALD: What kind of horse is my hon. friend riding?

Sir THOMAS WHITE: The only horse I am trying to ride is the horse that will win this war—a war-horse. That is a pretty good steed to ride.

Mr. MACDONALD: My hon. friend is not riding it very well.

[Sir Thomas White.]

Sir THOMAS WHITE: The hon. member for Pictou is trying to ride an election horse; that is the difference. My hon. friend referred to the British tax. The British taxation measure on excess profits realized about $800,000,000—and they have six times as many people as we have. The hon. gentleman says that our tax is excessive, yet the hon. member for Dauphin said the other night: why do you not take $200,000,000 out of the manufacturers? Why does my hon. friend from Pictou not criticise the member for Dauphin? On the one hand hon. gentlemen opposite say: you are taxing the manufacturers too much; and on the other: you are not taxing them enough. I will not say that that is the attitude of all hon. gentlemen opposite, because that would be unjust, but it is the attitude of some. In England the excess profits tax is levied, as the member for Pictou has indicated, on the difference between the profits in war time and the profits over a three year period preceding the war. As a result, a number of businesses in England that were making small profits before the war broke out, due to the unsettled conditions—because tight money had prevailed for a considerable period before the war—are bearing an undue proportion of the excess profits tax. Companies that were earning from 25 to 50 per cent before the war are paying nothing or very little, whereas companies which were earning only 5 or 6 per cent and are now earning from 25 to 40 per cent, are paying into the British treasury 80 per cent of the difference.

Mr. NESBITT: Would it not be reasonable to attribute to the war the excess profits of those companies which were not earning much before the war broke out and, vice versa, to attribute to the adverse effect of the war the decrease in the profits of many companies which were doing well before the war broke out?

Sir THOMAS WHITE: That is what I think they had in mind, but in the operation of the legislation the greatest injustice results to many businesses. I have been told by business men of the highest standing that the British tax is inequitable, unjust, and unfair for the reasons given. Only the other day at Washington a representative British manufacturer who was carrying on business in a large way said: We had a run of hard luck the year before the war; we are now taxed on a tremendous scale. He complained bitterly of the in-

justice of the British system and said that our taxation was much fairer. I am only giving hon. gentlemen the view of some of the business men of England with respect to the business profits tax over there. My hon. friend spoke of the furnishing of information with regard to the returns. The information in respect of this accounting period will not be available until 1918. With regard to the years 1915, 1916 and 1917, personally, I should favour bringing down a blue book, giving the names of the firms and the amount of their taxation, at the ensuing session of Parliament, but the taxation returns for 1914-15 are fairly complete. If any hon. member desires information with respect to a particular industry or a firm engaged in a particular industry, the proper course is for that member to place upon the Order Paper a request for the information which he desires, and then we can decide whether or not that information should be furnished. So far as I am concerned, I believe in the fullest possible disclosure in regard to any matter in my office unless the public interest stands in the way. In the administration of any custom tax or any other tax, if this House desires information and it appears that the request on the Order Paper is not contrary to the public interest, so far as I am concerned, I would be prepared to bring down the information.

Mr. NESBITT: Did my hon. friend take into consideration in the excess profits tax that when the war is over and things go back to normal, some of those firms which are at the present time making a large profit might be affected very adversely by the 75 per cent tax in accumulating a reserve that would assist in carrying them over, I shall not say the hard times, but the less remunerative times? It would be advantageous for a good many of those firms to pile up a reasonable reserve to carry them over the dull times that we may be approaching. When the war is over and when many of those firms which are making munitions have to turn their attention once more to their former lines of business, there will be very serious times for themselves and for their employees unless they have sufficient reserves to carry them over the transition period.

Sir THOMAS WHITE: I am sorry my hon. friend was not in the House this afternoon, because I dealt with that matter very fully in reply to remarks of the hon. member for South Renfrew (Mr. Graham), but I will briefly rehearse the statement which I made. In the first place the Business Profits War Tax comes to an end at the end of this year, and the present taxation proposals apply only to the last accounting period of the three year period covered by the legislation. Secondly, with regard to many of the businesses in Canada, the last accounting period has already expired, and from this period, of course, their profits are not subject to the taxation. Thirdly, the tax has been levied for a period of three years. For the first year all we took was one-quarter of the net profits over seven per cent; for the second year, we also took only one-quarter over seven per cent, and the second year was a good year for all businesses in Canada. The third year has also been a good year for nearly all businesses in Canada, and it is from that third year's profits that we are taking this increased amount of taxation. It is not as if we were taking all their excess profits; we are leaving them very substantial sums. My opinion has been that the position of most companies in Canada is pretty liquid. There are many companies, however, which have made betterments and improvements, and a good deal of the profits have gone back into those betterments and improvements and into stock. If it would be proper to consider, in connection with depreciation, a reasonable allowance where plants have been unduly extended during the war period, that might be a fair subject of consideration. I have no particular cases in view. I simply say that if a plant has been built to a great extent over what might be regarded as the normal requirements in order to handle the business of the war, that might be a subject of fair consideration with regard to the amount written off for depreciation.

Then we come to the other aspect of the case as to whether the companies will be able to raise the money to pay the tax. This tax is not due until 1918, and as I say, the Business Tax comes to an end this year, and we are not pressing any firms unduly as to payment. We expect them to pay when the payments are due in accordance with the measure which was passed by the House last year, but the penalty is not a high rate of interest, and I am quite sure there will be no ground for the accusation that the taxation has been harshly enforced upon firms that could not raise the money to pay it. That is only a question of reasonable administration. I think, therefore, on all these grounds there is no

reason for apprehension that firms are going to be forced into bankruptcy. I am sure that I would be the last man to consider favourably a measure that would have that effect.

Mr. NESBITT: I have not the slightest doubt that the minister fully intends that this tax will end in the accounting periods of those firms in this year, and that this later proposed tax will apply only for this year; but my hon. friend, like the rest of us, does not control the war, and there is no doubt that after this year there will have to be revenue derived from some source to pay the expenses of the war. While my hon. friend applies the tax only for this year and while perhaps for the moment he does not intend to apply it for a further period, still he can not cease imposing some excess taxation even if the war should come to an end this year. I do not therefore, see, although he may fully intend that the excess profits tax will cease this year and the payment cease next year, how he can promise that definitely. I do not grasp that at all, because he is in the hands of powers over which he has no control. Therefore, while he may give the companies an opportunity to pay, at the same time I fear that a great hardship will be imposed on some people. Had my hon. friend seen the wisdom of reducing the amount of taxation or of making every one pay their fair share, I would have suggested to him that, if he thought seven per cent was too low an amount for firms with a capital of less than $50,000, he might increase that to a certain extent, that is, he might allow them to earn eight per cent for instance, without imposing taxation. The other night he said in reply to me that the amount that a firm with a capital of $40,000 would earn at seven per cent would not be very great, but in answer to that I would suggest that perhaps he could increase the amount that would be allowed and still at the same time collect a certain amount of taxation from every one in this country who is engaged in business and making a profit. One man has as much right to pay taxes as another. I would suggest to my hon. friend that instead of having the fifty per cent tax apply on earnings of from fifteen to twenty per cent, he should make it apply on earnings of from fifteen to thirty per cent, and make the higher rate of taxation apply on profits over thirty per cent. At the same time I would advocate that there be a spread downwards, so as to take in everybody and make the taxation as equitable as possible. I know my hon. friend says that it would cost too much to collect taxes from firms with a lower capitalization than $50,000, but I do not think it would cost a great deal to send notices from the department to people in every line of business asking them to send in a statement of their business affairs. I believe the bulk of the people are perfectly willing to pay their share of taxation, and I think most of them would send in these particulars. I do not see why there should be any excessive cost in taxing firms with a lower capitalization than $50,000.

Sir THOMAS WHITE: As I stated this afternoon, next year we shall in all probability be on the eve of peace. There is this further fact: we shall get the revenue which this measure will produce in the year 1918. I also stated this afternoon that I did not regard this excess profits tax as a good tax in time of peace, though it is a just tax in time of war. It has been adopted, so far as I know, by practically every one of the belligerent nations. It is not the intention to re-enact this measure. Another reason that I think is entitled to some weight is this: when we introduced the measure we set a limit of three years, and that understanding was acted upon by firms and companies establishing themselves here, and I therefore feel we are under an obligation in that respect.

Mr. MACDONALD: I am sorry that the good-natured criticism I ventured to make this afternoon should have provoked so much resentment from the minister. Whenever the Minister of Finance gets into trouble, he does one of two things—he either mounts his aeroplane and soars into the realm of exchange, which he talks about in a mysterious manner as if it were a science that no other member of the House could venture to think about—

Sir THOMAS WHITE: I do not feel quite certain that I understand it myself.

Mr. MACDONALD: When my hon. friend shrouds himself in the mystery of that science he thinks he has completely escaped from his pursuers. His other course is to declare that he is winning the war. Let any one criticise the Minister of Finance and if he does not talk about exchange he will at once say that he is winning the war. He was winning the war when he gave Sir Rodolphe Forget $8,000,000 for the Quebec and Saguenay railway. The Min-

ister of Finance pretends to be an economist, but in the last four years he has spent $40,000,000 on public works and he raised the taxes to pay for these works on the pretense that the money was to be devoted to the war. These are facts about which there is no question. Then he spent $17,000,000 on the Hudson Bay railway. When hon. gentlemen on this side of the House discuss the measures of my hon. friend in a reasonable way, without acrimony of any kind, it is somewhat unusual, I think, for the Minister of Finance to attribute personal motives to us. My hon. friend should not be so thin-skinned. I think he is entirely exceeding the courtesies of debate when he calls people partisan, and suggests that they are discussing his measures for the benefit of some particular industry. The views which I put forward this afternoon were based on arguments which I had a perfect right to present to the House, and there was nothing at all personal in my remarks.

The sum and substance of the whole discussion is this: My hon. friend intends to stand by this excess profits tax. My hon. friend says that the excess profits tax is a good tax in wartime, but not in peace time. Now, if the war stops next year the tax will come off. We all wish that my hon. friend's prophecy in regard to the conclusion of the war may come true, after these long sad years of waiting, but the present outlook, which is not altogether rosy, does not give one much hope that my hon. friend has any sound basis for his conclusion. Does my hon. friend say that if the war is not over next year the tax will be discontinued?

Sir THOMAS WHITE: Yes, I stated that. I also said that if the war went on and our expenditures increased we should have to resort to new modes of taxation. My hon. friend has indulged in a little chiding, and he is the last man in the House who should indulge in that. When he gets up and talks about the expenditures of this country you would think he was a political Sir Galahad. You can almost see the wings sprouting from his shoulders when he gets up and talks about the expenditures this Government has made. My hon. friend knows perfectly well that since the war broke out this Government has gone on with only such public works as were absolutely necessary, and the greater part of our expenditure on public works has been on undertakings initiated in large measure by hon. gentlemen opposite when they were in power. I have no desire to discuss these matters from a political standpoint; I allowed a question of my hon. friend this afternoon to go unanswered simply because I did not want to get mixed up in a political discussion. When the war broke out there was an enormous amount of unemployment in this country, due to the dislocation of business. Money supplies for carrying on undertakings throughout the country were shut off at their source, and there was consequently a great deal of unemployment. Would it have been good policy for the Government to shut down on all public works at that time? That would have been most unwise. The policy we adopted was to go ahead with such public works as were under way; that was good sense; it was the right thing to do, and we did it. Just as soon as business conditions improved and unemployment decreased we adopted the opposite policy.

Mr. MACDONALD: You stated this afternoon in answer to a question that you spent $15,000,000 on public works last year.

Sir THOMAS WHITE: There are works going on in this country which should not be stopped. My hon. friend has referred to the Hudson Bay railway. The hon. member for South Renfrew, when he was Minister of Railways, let the contract for the building of that road, and I cannot recollect any session since 1911 when hon. gentlemen opposite have not urged the Government to continue with the building of that road. The road has been gone on with, so far as I know, with the consent of both parties in this House.

What does the hon. gentleman suggest? Here are terminals on Hudson Bay half finished and liable to go to pieces; here are rails lying rusting and a road unfinished and not used. Is the Government to stop work upon it altogether? Is that good common sense? We had to continue the construction of that road or suffer loss. It is wise, when you have an uncompleted undertaking, to go ahead with it at all events to the extent necessary to save wastage and loss. It would have been a most foolish policy to abandon altogether the Hudson Bay road.

Mr. MACDONALD: But the Minister of Railways tells us that he contemplates stopping the construction.

Sir THOMAS WHITE: It is not stopped. True, there are only a comparatively few men on the work, as I have learned from the contractor. We have been carrying on

this enterprise only to the extent necessary to prevent national loss. The great part of our public works expenditures to which the hon. member refers are expenditures on ports and harbours. In this House last year request after request was made by hon. members opposite for the construction of this grain elevator, that dock, or the other pier—all necessary public works in their opinion. What we have done is to go ahead with necessary public works.

Mr. MACDONALD: What about the Quebec and Saguenay?

Sir THOMAS WHITE: Who subsidized the Quebec and Saguenay originally? It was hon. gentlemen opposite. This Government found itself face to face with an uncompleted enterprise, and had to take action. The right hon. leader of the Opposition (Sir Wilfrid Laurier) did not oppose the measure that was passed last year. He knew that the city of Quebec and the district of Quebec were interested in the completion of that road. When we talk about burdens, I will say this—that the heaviest burdens we had were in connection with railways. We had to finish the National Transcontinental and we had to subsidize other roads to carry them on, but these roads were the result of the policy of the previous Liberal Government. Since the outbreak of this war we have continually reduced the expenditure of the Dominion both on current account and on capital account. So far has that gone that the entire expenditure of the Dominion to-day, outside of the war, is less than it was three years ago, notwithstanding that there are embraced in that expenditure charges of $25,000,000 for interest on increased national debt, and pensions. We have endeavoured in every way to cut down expenditure, but it is not wise to cut down expenditure to such an extent as to impair the efficiency of the public service or cause waste in connection with enterprises already undertaken. Close down the work on the Welland Canal, some have told us. But that is a great public work which has been supported by both sides. I do not desire to enter into political controversy; there is no use in talking of the past, and political recrimination is wholly out of place at a time like this. But I felt I must say something in reply to the strictures passed upon the administration by the hon. member (Mr. Macdonald) this afternoon.

Mr. TURRIFF: The hon. minister talks about cutting down the expenditure by $25,000,000 as compared with what it was two years ago; but he did not tell the committee that even when they are cut down by that $25,000,000, our public expenditures are fifty per cent higher now than they were when hon. gentlemen opposite took office five years ago. Speaking of the Quebec and Saguenay Railway, he evidently wishes the committee to believe that the Liberal party was responsible for that enterprise. But the Liberal party had nothing to do with the sixty-five miles of the Forget railway for which the Minister of Finance is going to hand out about $8,000,000—for before he is through with it the expenditure will amount to about that. This is to complete a road that never can hope to earn operating expenses. And the expenditure is made in the middle of a war. He tries to make it appear that this side of the House were responsible. We voted against that last year.

Sir THOMAS WHITE: Some of you.

Mr. TURRIFF: I know that I did; I voted against it because it was an absolutely uncalled for expenditure, wholly unjustified in any way, except politically—to put millions of dollars into the hands of a few of the minister's political friends who sit behind him, and for nothing else. It could not possibly be for anything else, for the road can not possibly pay. And as to the other two small branches that have been tacked on to the Intercolonial, with the effect of increasing the capital cost of that line, this same request had been made to my hon. friend the former Minister of Railways (Mr. Graham) and refused by him time and again. Talk about economy! When hon. gentlemen opposite were in Opposition, they were never weary of talking about the extravagance of expending $78,000,000 for the Dominion in one year, that being the highest expenditure under the Liberal Government. The Prime Minister (Sir Robert Borden), then leader of the Opposition stated time and again that the mere fact that the Government of that day were spending $78,000,000 was prima facie evidence of extravagance and corruption. In two years under the "economy" of which the minister talks, the expenditure was increased something like fifty per cent. But, because they have cut down the expenditure to $25,000,000 less than the terrible extravagance before the beginning of the war, he would have us believe that this is a very economical Government. I think he will have a good deal of trouble in making the

people believe that the Government is an economical one, or to conceal from them the fact that a great deal of the present expenditure is absolutely without justification.

Sir THOMAS WHITE: As to our expenditure on ordinary and capital account being fifty per cent larger than when we came into office, in the first place the statement is not correct; and, in the second place, I would point out to my hon. friend (Mr. Turriff), that which he always overlooks, that, while in 1911 the total trade of the Dominion was about $800,000,000 in two years it rose to $1,200,000,000, and now it is over $2,000,000,000. This, of course, increases very greatly the work which must be carried on in administering the affairs of the country. I do not think it desirable or necessary to deal with what the hon. member has said with regard to the Quebec and Saguenay railway. I did not suggest that hon. gentlemen opposite were responsible for the measure that was passed last year, but I cited the fact that they subsidized the railway as showing that they were interested in the completion of a road in that district. It was pointed out last year that the roadbed was falling away and the wastage in connection with it would have amounted to a great deal in terms of money if the Government had not taken over the road. As to paying Sir Rodolphe Forget $8,000,000, my hon. friend knows that statement is not correct.

Mr. TURRIFF: I said that the total cost to the Government would be in the vicinity of $8,000,000.

Sir THOMAS WHITE: That statement is not correct. The Government is buying the railway, road-bed and rails and whatever money the Government pays for that railway in expropriation proceedings will have to go to the parties entitled to it according to law. The statement that the Government is giving $8,000,000 to an individual is absolutely incorrect.

Mr. GRAHAM: I do not wish to discuss the Quebec and Saguenay now. It will come up in time and then I will discuss it very thoroughly. As with scores of other railways, the late Government granted a subsidy under the statute to a company for the building of that road. Although it was approached several times, the Government never contemplated purchasing the road, and when it failed to be a success and went to pieces because there was no traffic on it, it was not necessarily incumbent upon the Government to come to the rescue, as it was not a Government railway. However, I do not want to go into details, but I will discuss it very plainly from my point of view when the question comes up. In times of peace it would be altogether wrong to invest in it and in time of war it is an outrage.

On resolution 3:

That the tax shall be paid each year within one month from the date of the mailing of the notice of assessment.

Sir THOMAS WHITE: That is a necessary provision. Under the Act as passed last year the assessment can be made up to the first of September and the payment is due on or before the first of November. There is a provision in the Act under which the time for making the assessment may be extended by the minister, and that has been done frequently, but there is no provision for extending it from November. Many assessments for the previous year are necessarily made after November because it is not possible to get the information earlier. The result is that the Act is inoperative. As far as the date for payment of the tax is concerned, it is felt that it will make the situation more flexible and more in the interest of the tax-paying community that a period of one month shall be allowed for payment.

Mr. TURRIFF: If the United States Government carry out the proposal to put a war tax on all imports, that will naturally apply to the wheat which was made free a little while ago by the Government and the farmer will be in a good deal worse position than he was before, because 10 per cent on $2 wheat is twenty cents a bushel and on $1.50 wheat, and that is the lowest it will probably be for a year or more, will be 15 cents a bushel. Wheat previously paid a duty of only ten cents a bushel when entering the United States. I would like to ask if the Government has any intention of doing anything to counterbalance that duty on wheat going into the United States.

Sir THOMAS WHITE: I do not understand my hon. friend when he says "counterbalance." What does my hon. friend mean by that?

Mr. TURRIFF: The United States purpose putting a ten per cent duty on all imports. On wheat, that my hon. friend made free, there would be a duty of ten per cent going into the United States. It used to cost ten cents a bushel to get wheat into the United States, while, if they put this duty of ten per cent on, it will cost 15 cents,

20 cents or 25 cents a bushel, and I was asking my hon. friend if the Government proposed to do anything to counteract it.

Sir THOMAS WHITE: I do not know what my hon. friend means by "counterbalance" or "counteract." Does he mean: Are we going to put duties on wheat and flour on this side to counteract it?

Mr. TURRIFF: No.

Sir THOMAS WHITE: I do not understand it then.

On resolution 4:

That with respect to every business liable to taxation hereunder the period for which the returns shall be made and during which it shall be liable for assessment shall be at least thirty-six months, commencing with the beginning of the first accounting period ending after the thirty-first day of December, 1914, or for such less period as the business may have been carried on from the beginning of the said accounting period to the end of the period for which the said tax may be levied under the said Act.

Mr. NESBITT: Will the minister explain the latter part of that clause, "or for such less period," etc.?

Sir THOMAS WHITE: Firms that have started business since December 31, 1914, would be liable for the three years provided for in the first part of this section if the last part were not added.

Mr. NESBITT: If they started business since that time you do not expect to assess them for the full three years, but you expect their assessment to cease at the same time that the other ceases?

Sir THOMAS WHITE: Yes, that is right, and therefore they would not be liable for three full years.

Mr. A. K. MACLEAN: Their assessment would commence in May, 1916?

Mr. NESBITT: No, from the year they commence business.

Sir THOMAS WHITE: Yes, for their accounting period. The reason we find it necessary to put in section 4 is that a company might shorten its last accounting period in order to avoid this tax. Although in business for the last five years, they might not be liable to assessment for the full three years unless we in-
9 p.m. serted this section. They might shorten their last accounting period from a year to six or ten months, and the purpose of putting in this section is to safeguard that.

[Mr. Turriff.]

Mr. A. K. MACLEAN: The minister stated that this excess profits tax ceases on the 31st of this calendar year. It has been stated, and I think quite correctly, that the effect of this tax proposed in the resolution has been to discourage the investment of capital in Canada, particularly capital from the United States. That statement has been made by several hon. gentlemen, and to my personal knowledge it is correct. I know of one or two instances in which intended investments have been abandoned. If the minister's statement is correct, might it not be wise to amend the resolution by providing that the tax shall not apply to business commenced this year, or from May, 1917, or perhaps from May, 1916, or to capital investment made since that date? It might possibly encourage intended investors to proceed, provided they were assured that they were to be relieved, not from the original 25 per cent tax, but from the taxation under this resolution. The taxation provided for under the resolution is payable in 1918, and it is to be hoped that that year will see the end of the war. I make this suggestion, not with confidence that it is absolutely wise, but in the belief that it is worth considering, and that it will encourage capital investment and lose nothing to the revenue of the country.

Sir THOMAS WHITE: I believe there are some cases in which extensions were about to be made and the work was interrupted on account of apprehension as to the effect of this business profits war taxation; but there was a misunderstanding which, I think, has recently been removed. I have made it clear in the budget speech that this taxation applies only to the last accounting period, the third term provided for in the legislation of last year. I do not think it is necessary to insert a provision such as my hon. friend has in mind for this reason, as I think that has become pretty well known. But, apart from that the liability to taxation under this Act, including of course this amendment which we are considering now, comes to an end on the 31st of December, 1917, by section 21 of the Business Profits War Tax Act which reads:

The provisions of section 3 of this Act shall not continue in force after the 31st of December, 1917.

In other words, we are not extending the term of this Act, and the result is that by the next session of Parliament—that is if it is held after the term of this year—the

operative part of this Act, the taxation section, will have ceased and been determined; and the only operative part of the Act will be that which authorizes the assessment and permits payment in the next year. The reason why I mentioned 1918 in my previous remarks was that I wanted to show that we would have the revenue from this measure in 1918, which we are considering now, and I hoped that that would be a substantial addition to the revenues of the country for that year.

Mr. A. K. MACLEAN: I would like a little information with respect to the administration of the Act. In the settlement of accounts with a company liable to taxation under the Act, is an allowance made for a sinking fund where there is an issue of bonds? Supposing that the trust deed provides for a sinking fund and the company pays the sinking fund to the trustee, is that allowed as a charge against the business?

Sir THOMAS WHITE: I think my hon. friend will agree that so far as interest upon the bonds is concerned that would be a proper expenditure, but in the other case, the redeeming of bonds, to that extent you add to the equity of the company in the security; in other words you add to the capital of the company.

Mr. A. K. MACLEAN: The same thing would apply to the retirement of preference shares?

Sir THOMAS WHITE: Preference shares are in a different class, because they belong to the proprietor.

Mr. NESBITT: I would like to draw attention to the wording of the last part of clause 4.

> —shall be at least 36 months, commencing from the beginning of the first accounting period and ending with the 31st day of December, 1918.

Would it not be well to add "and for three accounting periods?" They might not have three accounting periods; they might lengthen their accounting period instead of shortening it.

Sir THOMAS WHITE: There may be more than three; they may have one every six months. It is better to have 36 months, as that applies to all in business since the 31st of December, 1914; and then to deal with the case of those who have been in business for less than 36 months, the last part of the section has been inserted.

Mr. MACDONALD: Does this resolution cover all that the minister is submitting in the Committee of Ways and Means? Does he expect to move the House into Committee of Ways and Means in reference to any further tariff proposals, or in respect to assisting the construction of ships in this country?

Sir THOMAS WHITE: It is not my intention to bring down any further tariff proposals at this session. Any policy that the Government may determine upon in connection with ship-building can be dealt with without taking up the matter in Committee of Ways and Means. It can be done either by legislation or, if we have power under the War Measures Act, by Order in Council.

Mr. MACDONALD: In connection with the matter of shipping, a number of the ministers have said that any one desirous of building ships in Canada could have all the orders they could handle by applying to the Imperial Munitions Board, which was acting in conjunction with and for the British Government. I should like to have it clear whether contracts for ships given by the Imperial Munitions Board are financed by the Canadian Government, or whether the Imperial Munitions Board is dealing altogether with Imperial funds.

Sir THOMAS WHITE: The Board is an Imperial Board, that is to say, the Government of Canada has no control over its operations. It expends the money of the Imperial Government, and not the money of this Government. If I allowed the matter to rest there, the House would not be in possession of full information. The Imperial Government is interested in the matter of shipping, as, indeed,this and every other Government in the world is to-day, on account of the scarcity of ocean tonnage. The Imperial Munitions Board has, I believe, placed orders for some twenty or twenty-two steel ships in Canada of a total tonnage of 160,000 or more. I am speaking from memory. The result is, so far as I know, that by reason of these orders and the orders given by private enterprise in Canada, the ship-building yards of Canada are full to capacity at the present time; in fact I understand they have orders which will keep them busy until about the middle of 1918. The Imperial Government sent over a representative, Mr. Perry, to work in connection with the Imperial Munitions Board. His mission was to inquire into the possibilities of wooden ship-building in

Canada; that is to say, the building of wooden ships which would be suitable for the purposes of the British Government. As the Minister of Marine and Fisheries pointed out the other night, a certain design of wooden ship had been determined upon as being the proper kind of vessel for the purposes of the British Government. I have been interested in this question of shipbuilding, and when it was brought to my attention that the question of finance lay to some extent at the bottom of activities of the British Government in Canada in the matter of shipbuilding, it occurred to me that we could be of assistance. My hon. friend a little while ago spoke slightingly of exchange.

Mr. MACDONALD: Not at all; rather laudatory.

Sir THOMAS WHITE: Let me tell my hon. friend that there is more in exchange than was ever dreamed of in his or in my philosophy. I think I can say, without getting my own head or any one else's in the clouds, that the British Government can buy nothing on this continent, on account of exchange conditions, unless they get the credits or the money with which to buy it. In other words, they cannot raise the money by selling in London exchange on America, because exchange has broken down. It occurred to me that the Government of Canada could be of real service to the Imperial Government in connection with its wooden shipbuilding programme in Canada and at the same time do Canada a good turn as well, because it is much to the advantage of Canada to have these wooden ships built here. So I offered the Imperial Munitions Board a credit of $10,000,000 to be availed of as required for the purpose of their shipbuilding programme. That money is to be lent by the Dominion Government to the Imperial Government. When lent to the Imperial Government it will, of course, be money of the Imperial Government and will constitute a set-off to moneys which the Imperial Government may lend to us in England. In other words, we facilitated the financing of the Imperial Government in connection with its shipbuilding programme in Canada. I received a message from the British Government through the right hon. Mr. Bonar Law, warmly thanking us for our undertaking to finance the British Government in this respect.

Mr. MACDONALD: The Minister of Trade and Commerce, in dealing with this matter,

[Sir Thomas White.]

certainly left it very far up in the air—about as far up as the exchange problem sometimes goes. But from the explanation made by the Minister of Finance, we know that the Dominion Government is not doing anything in the matter of the construction of ships in Canada, and that the Imperial Government, through the Munitions Board, are having ships built in this country. The Dominion Government, on account of the exchange situation, is simply making an advance of $10,000,000 to the Imperial Government and has no responsibility whatever for the doings of the Imperial Munitions Board in the matter of shipbuilding. The Minister of Trade and Commerce a week ago urged the view that the Government were doing something wonderful in the matter of shipbuilding, but the Minister of Finance and his colleague have made it clear that they are not. As to the assertion that the shipyards in Canada are filled, I have knowledge of the circumstances under which a communication was forwarded to the Imperial Munitions Board some four weeks ago by a certain firm which offered to engage in the construction of wooden ships. Reply was made to the effect that all the contracts for wooden ships had been let. In this shipyard and in others which are in the course of preparation in my province, ships of this kind could be built. The province of Nova Scotia appropriated $2,000,000 for the encouragement of shipbuilding and has appointed a commission for the purpose of arranging for the establishment of shipyards capable of constructing steel and wooden ships. Mr. Norcross, who is head of the Canada Steamship Lines, and who was employed by the Imperial Munitions Board or the Government lately in connection with this matter, in an interview which he gave the public press, urged the absolute necessity of the inauguration by the Dominion Government of a policy of assisting the construction and development of a mercantile marine in Canada—leaving entirely aside the question of the building of small naval vessels.

Sir THOMAS WHITE: After the war, or during the war?

Mr. MACDONALD: Now. Mr. Norcross is a gentleman who speaks with authority and with some knowledge of the conditions. What I would like to know is whether the Government of Canada intend to take any step towards encouraging the construction of a merchant marine for Canada. The ships to be constructed by the Imperial Munitions Board will, when they leave our shores, not be under Canadian registry;

they will form no part of our transportation system. Lloyd George declared not very long ago that what the Empire needed was ships, and more ships, and more ships. The United States, while working in conjunction with the British Government along lines similar to those being followed by the Imperial Munitions Board, have inaugurated a programme for the construction of wooden and steel ships in order to increase the mercantile marine of the United States, provide means of transportation for the products of that country across the ocean and obviate the difficulty which has arisen through the destruction of vessels by submarines and the consequent depletion of the world's mercantile marine. Having regard to the suggestion of the Prime Minister of Great Britain as to the necessity of obtaining ships, and of the suggestion of Mr. Norcross as to the desirability of the establishment of a Canadian mercantile marine, may I ask whether the Government purposes doing anything by which encouragement will be given to Canadian builders of steel or wooden ships? Is it the intention of the Government to take steps to secure the construction of vessels which will form part of a Canadian mercantile marine which will give Canada a means of transportation on the ocean? We have our three transcontinental railway lines to carry our products to the ocean ports, but we have no means of transportation on the sea. The ships to be built by the Imperial Munitions Board are to be placed at the service of the British authorities. This Government should not stand still and do nothing to encourage the construction of ships in Canada which would form part of our ocean transport system and act in co-operation with our system of transportation by land. Will the minister be good enough to tell me the attitude of the Government in regard to the construction of ships in Canada?

Sir THOMAS WHITE: I do not agree with my hon. friend that in supplying $10,000,000 of Canada's money for the financing by the Imperial Government of its shipbuilding programme in this country, we are doing nothing. That is a very substantial assistance, and it is so recognized by the Imperial Government. I do not see why my hon. friend should minimize the importance of what we have done. It means that the Imperial Government, which is working in co-operation with our Government in the prosecution of the war and to which it is an object of the utmost importance to provide transportation in order that the people of the United Kingdom may be fed, has proceeded with a large shipbuilding programme in the Dominion of Canada. Therefore, I submit that the Government should be commended and not adversely criticised for what we have done in assisting to finance the Imperial Government. So far as I am concerned, I am usually indifferent as to whether the Government is praised or not; the main thing is to get the work done whatever it may be, and what has been done is that the Imperial Government has already let contracts to the extent of $10,000,000 for wooden ships of the kind which it requires for the purpose of assisting in the transportation problem.

My hon. friend has raised the further question of establishing a shipbuilding industry in Canada and I am very glad to have the benefit of my hon. friend's views except that they are somewhat vague as indeed are the views of most men on this very important question of shipbuilding. I have been giving the matter, although it does not come immediately under my department, such attention as I have been able, and it is very difficult to determine the course which will produce the best results so far as Canadian transportation is concerned. My hon. friend has pointed out that before the war the railways carried our produce to our ports, and he emphasizes—and I think properly—the question of the importance of ocean transportation; but before the war we had Canadian ships; the railway companies had their shipping lines, and the produce of Canada was moved without difficulty to Great Britain and the continent. At the outbreak of war and since, our mercantile fleet has been to a large extent commandeered by the Imperial Government for the purposes of the prosecution of the war, and, of course, this Government is not to blame for that. If the Imperial Government desired the shipping belonging to Canadian lines, why, they desired it for the purpose of better prosecuting the war, and so far as I know, no exception can be taken to that course. My hon. friend has raised the question of what should be done to assist the industry of shipbuilding and the transportation problems, present and future. So far as shipbuilding is concerned after the war—and that is, to my mind, an exceedingly important subject, from the standpoint not only of that industry itself, but of the collateral enterprises, such as the steel indus-

try and other industries connected with it —I think a shipbuilding industry cannot be built up in Canada except by bounty legislation. So far as concerns the peace period after the war, if bounty legislation or the granting of subsidies of reasonable amounts would facilitate the creation of a shipbuilding industry in Canada, for my part, I would have no hesitation in saying that I would favour that course. If a shipbuilder were considering the question of establishing a large plant in Canada, I do not think he would be very much bothered as to the question of subsidy during the war, because he would know that every ship that he turned out would sell at a very handsome profit. What he would be concerned about would be the period after the war was over, as to how he would get along during that period when with his plant and fixed charges he would have to meet conditions under which his ships would not sell at the prices they would realize to-day. I have had under consideration the matter of the best plan of assisting the shipbuilding industry, but the matter is not urgent so far as concerns the period immediately following the war, for this reason: I do not believe—and I shall be glad to learn if I am wrong—that private enterprise can establish a great shipbuilding industry in Canada at this time, because of the shortage of steel plate. I read the other day a statement by Mr. Mark Workman, president of the Dominion Steel Company dealing with that phase of the question and he pointed out—I am speaking from memory and I hope I am not misquoting his statement—that it would be a considerable period before the steel plate would be available for shipbuilding in Canada.

Mr. C. A. WILSON: What about building wooden ships?

Sir THOMAS WHITE: I have pointed out that the British Government is giving orders for some ten million dollars' worth of wooden ships in Canada, and I may say with regard to wooden ships that while they will serve an emergency purpose, and I think may be useful for coastal business, at the same time the transportation of the future looking to a period considerably beyond the war is bound, I think, to be largely with steel vessels.

Mr. C. A. WILSON: Is not the United States building quite a number of wooden ships for transportation?

Sir THOMAS WHITE: I understand the United States is building certain wooden vessels, but when I was at Washington I learned that the wooden vessel is regarded as an emergency vessel, and it is to steel vessels that transportation interests must look after the war is over. My hon. friend raises the question whether it would not be advisable for the Dominion Government to consider the establishment of a shipbuilding industry in Canada. Many considerations arise in connection with that, and I think it is a problem which must engage our attention. There is the shortage of steel plate, as my hon. friend knows, and there is the further question of whether it would be in the interest of the country for the Government to embark in shipbuilding in competition, say, with an enterprise which is ready to take up that industry as soon as it is practicable to do so. For instance, there are in this country some large steel industries which might consider the question, under proper assistance, of establishing a shipbuilding industry. That might be the best way of dealing with the shipbuilding industry, or it might be advisable for the Government to consider the establishment of shipbuilding plants, but on account of the difficulty of getting steel plate it is almost impossible to establish a shipbuilding industry in Canada, and, as I have already pointed out, almost every shipbuilding yard in the Dominion, as far as I know, is engaged in the building of steel ships. I would not controvert what my hon. friend says with regard to yards which might build wooden vessels, but I am speaking now of the steel shipbuilding industry. I have taken the matter up with certain of the best posted men in this country, and I find an extraordinary variety and diversity of views as to the best course for the Government to take to assist the shipbuilding industry. I shall have the matter under further consideration and I am endeavouring to ascertain what is the best policy for the Government to pursue.

I can assure my hon. friend that the Dominion Government is anxious to do what it can to promote the shipbuilding industry in this country. When the Government determines upon the policy which it believes will best effectuate that purpose, the necessary announcement will be made to the House, and if legislation is required it will be brought down. That is all I feel disposed to say on the question to-night.

My hon. friend (Mr. Macdonald) referred to ships built here being retained on the Canadian register. I am sure he will be interested to know that I raised this very question with the manager of one of

the leading industries in this country. I had in mind that if the Dominion gave assistance in connection with shipbuilding, one of the conditions might be that the ships so built should remain on the Canadian register and be available for purposes of Canadian transportation. I thought that would be a desirable condition, and I was surprised to learn that in the opinion of this gentleman, who is a very outstanding man in the Canadian industrial world, such a condition would effectually nullify the action of the Dominion Government in giving subsidies and bounties, because he said the shipbuilding industry required to be absolutely free to sell ships, no matter where they were to be used, in order to compete in the markets of the world. It would seem, therefore, that if the ships built in Canada are to remain on the Canadian register they would have to be built and operated by the Dominion Government itself. I do not put forward these suggestions as mature views upon the subject, but as my hon. friend has raised the question I just put these observations forward as representing my state of mind regarding the shipbuilding industry at the present time. If my hon. friend has any suggestions to make of a practical character which will help to solve this problem, and will point out the best way of increasing the transportation facilities of Canada or of building up a great shipbuilding industry in this country, we shall be very glad to hear from him. This question has not escaped the attention of the Government. In the meantime all the shipyards in this country, so far as I know, are engaged in building ships.

Mr. ROBB: When the minister speaks of subsidizing the building of ships, does he refer to ocean tonnage only or to tonnage on inland waters?

Sir THOMAS WHITE: I was using the word "subsidies" generally. We should, of course, have to consider the whole situation with regard to subsidizing or giving grants, and I am not prepared to go into details as to the proper policy to-night.

Mr. MARCIL: Where are these steel ships being built at the present time?

Mr. HAZEN: The difficulty about building ships in Canada before the war broke out was due to the fact that we could not compete successfully with the British shipbuilder. No protection was given to the Canadian shipbuilder. Labour was cheaper in Great Britain, and there were other conditions that made it possible for them to build ships much cheaper over there than we could in Canada. These ships built in Great Britain, whether they were on the British or Canadian register, could be brought into Canada complete down to their smallest fittings, such as glass, china, napkins and so forth, without having to pay any duty whatever. Under the conditions existing in the industrial world before the war broke out it was impossible for the Canadian shipbuilder to compete successfully with the British shipbuilder. As a matter of fact, the vessels that were engaged in the trans-Atlantic trade when the war broke out were practically all on the British register, with the exception of the Royal Edward and the Royal George, which were registered at the port of Toronto. The Allan liners and the Canadian Pacific railway boats and practically all other transatlantic liners were British-registered vessels.

Mr. C. A. WILSON: What about the White Star?

Mr. HAZEN: There is the Canadian White Star and the American White Star. I think I am correct in saying that with the exception of the two Canadian Northern vessels I have just mentioned, all the vessels in our transatlantic trade at the outbreak of war were on the British register, and they were nearly all commandeered by the British Government for naval purposes. The Calgarian and the Alsatian of the Allan Line had just been put on the Atlantic route. They were vessels of the most modern type, and were both commandeered by the British Government. The Calgarian is now doing service as a naval vessel, having been converted into an armed cruiser. I think the same is true of the Alsatian, which is being used somewhere in the east as a flagship for one of the squadrons. I think the Empress of Britain was also commandeered for naval purposes. Both the Royal Edward and the Royal George have been used for naval purposes, and one of them was torpedoed and sunk not so very long ago. That was the state of affairs when the war broke out.

I am by no means certain that we shall have the same difficulty in competing with the British shipbuilder after the war. Wages have gone up very much in Great Britain, and I doubt if they will come down again very rapidly after the war is over. I think even without any form of protection by way of bounty or tariff, our shipbuilders will be able to compete with the

British shipbuilder more easily than before the war. Our shipyards are getting on their feet, so to speak. Since the formation of the coalition Government by Premier Lloyd George a Department of Shipping has been added to the British Government, and at the head of it is Sir Joseph MacLay, one of the leading shipping men in Great Britain, and a member of one of the leading shipping firms in Glasgow. He has a most intimate knowledge of shipping. I had the opportunity when in England of having many discussions with him and with the members of his staff with regard to this very important question. Hon. gentlemen know of the tremendous shortage in shipping that the British Empire has to face. Many vessels have been torpedoed and many have been mined, and it has been found impossible to replace the tonnage from British shipyards as fast as it is destroyed. Great Britain has also been supplying tonnage to our Allies for the transport of troops and munitions. I understand that in connection with the operations at Saloniki alone, several hundred British ships are employed all the time. The result is that there is a great shortage of tonnage for carrying to Great Britain the products from overseas which are so essential not only to the comfort but to the absolute existence of the people of the British Isles at the present time. The Shipping Board under the direction of Sir Joseph MacLay are doing all they can to meet that difficulty. All the shipyards in the United Kingdom are working at high pressure, but many of them are turning out naval vessels entirely. The result is that the merchant shipping which is being turned out is not as great as the shipping which is being destroyed by submarines and mines from week to week. In discussing the matter with Sir Joseph MacLay, I expressed the belief that a considerable amount of work might be done in Canada in building ships to take the place of those that are being lost to Great Britain at the present time.

Mr. C. A. WILSON: Are we building any?

Mr. HAZEN: At present ships are being built in Canada for the British Government, under the direction of the Department of the Controller of Shipping and under the management of the Imperial Munitions Board which, in Canada, is acting for the Shipping Department of Great Britain. At present the shipyards in Canada are doing a very great deal of work building ships for the British Government, for British trade, and for certain other purposes which I cannot mention to the House at this time. This is true of the shipyard at Quebec which is controlled by Mr. George Davie, the shipyard at Montreal belonging to the Canadian Vickers, the shipyard at Collingwood, the Polson yard at Toronto, the Thor Iron Works of Toronto, the shipyard at Port Arthur, the shipyard of Messrs. Coghlan and the Wallace shipyard in the province of British Columbia, and also the shipyard at New Glasgow, Nova Scotia, of the Nova Scotia Steel Company.

Mr. C. A. WILSON: What is the highest tonnage?

Mr. HAZEN: Ships are being built in Canada to-day up to 8,000 tons. But, if my information is correct, the Imperial Munitions Board, acting for the Controller of Shipping, is desirous that the ships they shall make contracts for at present shall not be as large as that, but shall be, at the largest, in the neighbourhood of 3,000 tons.

Mr. C. A. WILSON: What is the minimum tonnage?

Mr. HAZEN: Wooden ships are being built in Canada for the British Government and under the Munitions Board. The instructions that the Munitions Board have from the British Government is, that they shall not enter into a contract for wooden ships of less than 2,500 tons. The reason for that condition I do not quite understand. I took the opportunity of making representations on the subject to the Controller of Shipping and also to the Colonial Secretary, Right Hon. Walter Long. I pointed out that there were yards in Canada that could build wooden ships of a less tonnage than 2,500 tons, but that with their equipment and in view of the difficulty of procuring material and finding men to do the work, it would be impossible in the case of many of them to build ships as large as 2,500 tons. That is a matter that has to be decided by the British Government and the Controller of Shipping, as they are the ones for whom ships are being built.

So much for the shipyards that may be called standard or established shipyards, equipped for building steel vessels or equipped for building wooden vessels. There are many other yards in Canada in which wooden ships could be built. That is particularly true, I think, of the Maritime Provinces. I am told that there are being constructed in Nova Scotia 48 wooden

ships, the largest probably of 1,500 tons and the smallest of 150 tons, or probably less. These are being built by private individuals, and from what I can learn of the conditions to-day, as soon as they are completed their builders will be able to sell them at figures that will be profitable, or, if they operate and manage these ships themselves, at the present rates of freight prevailing in the world, if the ships have the luck to escape being torpedoed or submarined, they will, in a few voyages, earn enough to pay for the entire cost of construction. With the impetus given to the building of ships in Canada by the conditions arising from the war, I believe that after the war is over our shipbuilding yards and shipbuilders will be in a better position to compete with the British shipbuilder than before the war broke out, and this entirely apart from the fact that I believe that conditions will have so changed, so far as cost is concerned, that the competition will be on more equal terms.

Something has been said this evening about the conditions likely to exist after the war. From what I can learn in talking with shipping men on the other side of the water and on this side also, I believe that, even if the war should come to a close during the present year—a matter about which I entertain very grave doubts indeed —the shortage of shipping will be so great that the shipyards in Canada and Great Britain, as well as in other parts of the world, can continue for a good many years turning out ships at their utmost capacity without overtaking what the normal quantity of ships should be and what it was when the war broke out. After the war an immense deal of shipping will be required for many purposes. Suppose, for instance, that Canada has 400,000 troops overseas at the conclusion of the war, it will take a ship a day for a year carrying 1,000 men each to bring these soldiers back to Canada. There are troops from Great Britain in all the theatres of the war who will need to be brought across seas. Then transportation must be provided for all the equipment, the guns and all varied articles necessary in carrying on the war. Besides, many countries are so depleted in stocks of goods essential for the carrying on of successful business and for comfortable conditions of living that after the war there will be an enormous traffic on the seas. I am assured by shipping men, who know far more about these matters than I do, that for a long time after the war is over freights will be very high, not so high as to-day, perhaps, but high as compared with what they were at the outbreak of the war and high enough to assure to shipowners a good return on their investment. Shipbuilders in Canada are alive to the conditions that exist and expect that the result will be the development of shipbuilding in Canada.

I agree with the hon. member for Pictou (Mr. Macdonald) as to the desirability of having ships registered in Canada. It is most desirable that we should have a large mercantile marine of our own. The position I have taken with regard to commandeering ships is this: as to ships of British register, I have regarded it as quite proper that the British Government should commandeer them for any purpose in connection with the war; but, as to ships of Canadian register, should the British Government require these ships they should ask us for them. An Order in Council to that effect was passed soon after the outbreak of the war, and that is the policy that is being carried into effect to-day.

Mr. A. K. MACLEAN: Do I understand the minister to urge as a matter of policy that Canadian shipbuilders be allowed to dispose of the ships they construct to Canadians only?

Mr. HAZEN: Not at all, at the present juncture. I have never urged that, and would not think of putting forward such a proposition. What I did say was that when the British Government requires ships for any purpose in connection with the war, if the vessels are of British register, in my opinion they have the right to commandeer them without regard to us in Canada, even though Canadians may be owners of shares, or even owners of the ships themselves; but if the vessels are of Canadian register, then the British Government, while they may have the legal power, have not the constitutional right, to commandeer those ships, but if they are to be commandeered it should be done through the Government of Canada.

That position was adopted by the Government. Soon after the war broke out and before much consideration of the matter, they started commandeering ships of Canadian register. We drew their attention to the matter and put our views clearly before them. They accepted our views in effect. We passed an Order in Council on the subject and now, when Canadian ships are required for naval purposes in connection with the war by the controller of shipping under the British Government, they communicate with us and ask us to com-

mandeer those ships and have them placed at their disposal. In connection with the matter very great difficulties arise. We will be informed, for instance, by the British Government that a certain vessel of Canadian register is necessary for the successful carrying on of the war and for the carrying of commodities that are necessary for the life of the British public. We will communicate with the owners of the vessel in Canada where it is registered. We, in many cases, will receive protests from them against the British Government commandeering the vessel, or it will be pointed out that vessel is necessary to Canada, that it may be carrying something that is necessary for the purpose of enabling munitions factories in certain parts to carry out their contracts successfully. From time to time our department is up against questions of that sort that we have to deal with, having on the one hand the desire of every Canadian to win the war and the desire of every Canadian also to see that Great Britain is not hampered in carrying on the war by getting those products from overseas which are esssential to the people of the Mother Country, and, on the other hand, considering whether any injustice will be done to Canadian interests if we allow the ships to go. These are questions that we are face to face with every day and which cause very great difficulty.

In dealing with that matter and applying our best judgment from the patriotic and practical standpoint, a considerable number of Canadian vessels were commandeered for the service of the Government of Great Britain, and unfortunately a number of these vessels have been torpedoed, as have Canadian vessels that have not been commandeered by the British Government, and the result is that great difficulty exists in obtaining a supply of tonnage sufficient for our own purposes at the present time. There are difficulties in connection with the coal-carrying trade that my hon. friend from Nova Scotia will understand. There is the difficulty of getting sufficient tonnage to bring the coal from the mines of Nova Scotia to the St. Lawrence ports and also to carry it to St. John and Halifax. In some cases that difficulty might be met by railway traffic to a certain extent. There are difficulties also in connection with the oil vessels that are required to bring oil to Canada for the munitions works.

Mr. SINCLAIR: Will the minister say if the Government have commandeered any vessels under the Order in Council of which he speaks?

Mr. HAZEN: Yes, we have. At the request of the British Government we have commandeered certain Canadian vessels in order that they might be available for helping in the prosecution of the war and in connection with matters that were represented to us by the British Government as being essential, and in some cases vessels vitally necessary, for the prosecution of the war.

Mr. SINCLAIR: The commandeering has not then been for the use of the Canadian Government but of the Admiralty?

Mr. HAZEN: For the use of the Imperial Government to carry on the war. That is the position of the matter to-day. The subject is one of tremendous interest and importance. I have not yet heard any one in this House suggest that we should pay a bounty for the construction of vessels in Canada. I do not think that is suggested at the present time or that we should, under existing circumstances—if we have the power to do it and I think we have—provide protection by means of a tariff so as to protect us against the ship-builders in Great Britain. There is no need of that at present because practically all the yards where steel ships can be built are busy and in addition, many yards where wooden vessels can be built are busy. In Nova Scotia there are forty-eight wooden ships building.

What we are more concerned with is the question as to what the condition of shipbuilding will be after the war. The matter is deserving of the greatest possible consideration and it is receiving that consideration. Although the war is costing us a tremendous sum of money, and although I know that my hon. friend the Minister of Finance has no easy task in financing the war at the present time and has tremendous responsibilities resting upon his shoulders, yet it is a subject worthy of consideration whether or not this country should not build ships to be owned by the Government of Canada and to be operated in connection with Canadian railways across the water even though it will involve a very large expenditure and an expenditure which might be difficult to finance at the present time. These are considerations to which the Government is giving consideration at the present time and I may say that if any hon. gentleman, on this or the other side of the House, has any suggestion to make about the matter, we

10 p.m.

will be only too delighted to receive his suggestion and give it our very best consideration.

Mr. A. K. MACLEAN: Mr. Chairman, the matter of shipbuilding in Canada is one of great interest to all who would desire to see the establishment of an industry of this character. As far as wooden shipbuilding in Nova Scotia is concerned, I think it is about in the same position that it was in three or four years ago. I would assume that in normal times about the number of wooden ships mentioned by my hon. friend the Minister of Marine (Mr. Hazen) are under construction as are being built to-day.

Mr. HAZEN: Forty-eight.

Mr. A. K. MACLEAN: The minister states that there are only forty-eight new ships under construction in Nova Scotia and I would say that in normal times there would be nearly that number under construction. I would hardly say that he was correctly advised in saying that there were ships being built of 1,500 tons. I would imagine that the largest tonnage would be somewhere in the vicinity of 500 or 600 tons. There are a great many obstacles in the way of building ships of from 1,500 to 2,500 tons in the Maritime Provinces. I doubt if it would be practicable anywhere in the Maritime Provinces. It would be very difficult to obtain timber suitable for the construction of vessels of that size. The minister stated that it was the policy of the British Government to construct wooden ships of 2,500 tons. I think that is an unfortunate policy to adopt and I am very glad that the minister saw fit to question the propriety of a policy of that kind in England. It may be possible to build wooden ships of that size on the Pacific coast but I doubt very much if it is possible to build them in the Maritime Provinces. I speak with some hesitancy in this respect because possibly I may be in error, but I doubt very much if the wood is available. There is also the question of the difficulty of obtaining labour in the Maritime Provinces. It is at the present moment extremely difficult for shipbuilders to obtain anything like the quantity of labour required. This has been aggravated recently by visits to Nova Scotia ports by representatives of American shipbuilding yards to secure labour. I received a letter only to-day from an acquaintance of mine who is engaged in shipbuilding protesting against the fact that representatives of shipbuilding yards in the state of Maine have recently been in Nova Scotia and have been offering wages of from $6 to $12 a day. He asked me to protest to the Government against the invasion of our labour market by people from the United States. My correspondent insisted that this be prevented just as the Dominion Government were asked to refrain from encouraging immigration from the United States into Canada. Probably this will soon pass away, because I think you will find that the wooden shipbuilding programme outlined recently by the United States is an impossible one, especially on anything like the scale contemplated.

Mr. HAZEN: They have got down now to 250; it was 1,000 before.

Mr. A. K. MACLEAN: I do not imagine that they can build even 250. If the British Government are anxious to have wooden ships constructed in Canada their policy should be a practical one, and the tonnage of such vessels should be within the capabilities of Canadian ship builders. I quite agree with the Minister of Marine and Fisheries in respect to steel shipbuilding in the future. Prior to the war I doubt if anybody could have said that shipbuilding was a practical industry to be contemplated in this country for a great number of years to come, unless very substantial assistance was granted by the Government by way of bounty toward that end, and that policy would be a very doubtful one, indeed, for Canada to embark upon. I think the situation has changed entirely. As the minister has said, it is recognized in England that production costs in that country for the future will be greatly in excess of what they were prior to the war. The wages paid to labour for British shipyards will be much greater, probably, than they were in the days prior to the war. Shipbuilding labour was not as strongly organized in Great Britain as was other labour, but, having once become accustomed to a few years of higher wages, the shipbuilding labourers are not likely to permit their wages to fall. That is the history of wages in all countries, namely, when once they have risen from a low rate they are not likely to fall back again. So it is generally expected that the cost of producing ships in Great Britain will be much higher in the future than it has been in the past. If we wish to make a start in the construction of steel ships in Canada this is the opportune moment. I doubt if it is a practical way of dealing with the matter to say that some time after the war we may consider the policy of subsidizing shipbuilding.

I think the subsidizing of shipbuilding by bounty is a very doubtful policy, indeed, and I doubt very much if we should at the present moment commit ourselves to it. At any rate, it is not necessary to pay a bounty to-day to shipbuilders in Canada.

Mr. HAZEN: Hear, hear.

Mr. A. K. MACLEAN: They are not asking for it, and they do not deserve it. The obstacles to-day confronting shipbuilders are the cost of purchasing the plant and equipment, and, in fact, the difficulty of obtaining a plant at all. There is a further difficulty in obtaining plates. These obstacles render it almost impossible for private capital to engage in any extensive shipbuilding programme, and it has been suggested—I have heard it discussed by prominent shipbuilders in the United States, and by some Canadians—that if the Governments of this country, provincial or federal, desired to aid shipbuilding, they should do something in the way of advancing capital to competent persons to start shipbuilding yards. A shipbuilding plant costs 100 per cent more to-day than it would in normal times, and the cost of plate is also excessive. Therefore private enterprise could hardly be expected to engage in the commencement of a shipbuilding industry in these circumstances. In respect to the securing of plate, I was advised recently that the Imperial Munitions Board or the Canadian Government had made some arrangement with the United States Government whereby some of the steel plants in the United States would supply Canadian yards with all the shipbuilding plate required for the next two or three years. There may have been no such arrangement made, but if not I think it is an arrangement which very well might be made. I think the United States Government would be quite willing, if requested so to do by the Canadian Government, to make arrangements whereby some of their plants would be at the disposal of Canadian shipbuilding yards for the purpose of supplying plate. It would not be a very large quantity anyway. If there has been no such arrangement made, and there is any demand on behalf of Canadian shipbuilding yards for plate, I think this matter might very well be taken up. I agree with the Minister of Marine and Fisheries (Mr. Hazen) that this is the opportunity for Canadians to commence steel shipbuilding. If they do not do so now, they are not likely to do so for a great number of years. If a company were ready to construct ships to-day, I think beyond doubt they could readily secure contracts which would keep them going for five or ten years.

Mr. HAZEN: Hear, hear.

Mr. A. K. MACLEAN: And by that time they might be able to liquidate their capital investment almost entirely, so that long after the war had ended and the demand for shipping had been pretty well supplied, these companies might be able to carry on their business without a subsidy. In substance, what I have to suggest as a proper policy is this: that companies, if properly organized by men who have had experience and are willing to contribute some capital, be assisted in some way by the Government. I do not intend to suggest details of the arrangement; I prefer to simply state it in general terms. I think it would have been better for the British Government to have assisted Canadian yards in this matter in preference to asking Canadian shipbuilding yards to construct wooden ships of 2,500 tons. I think it is quite possible to equip steel shipbuilding plants and turn out 100,000 tons of shipping in a year, and it is quite possible to equip yards for that purpose inside of six months. And if a few shipyards of that capacity were started, the total tonnage they could supply in the next two or three years would be very considerable.

The CHAIRMAN (Mr. BLAIN): It is my duty to point out that rule 13 of this House provides:

> Speeches in Committee of the Whole must be strictly relevant to the item or clause under consideration.

I think the reading of the rule will be quite sufficient.

Mr. EDWARDS: Mr. Chairman, in view of the fact that two or three weeks ago I ventured to make a suggestion in regard to this matter, I feel disposed to trespass on your time for two or three minutes to-night. I said then that I should like to see this Government or any Government in Canada take from the public treasury of this country $10,000,000 or $15,000,000 if necessary to build ships to carry Canadian flour—I specified that as one article—from Canadian ports free across the ocean. From what has been said in the discussion here to-night, I am more than ever confirmed in my opinion that the Government would be justified in taking that course. Both parties have endeavoured to benefit the whole of Canada by building lines of

railway. It was felt that the Canadian Pacific Railway was not sufficient, that the building of another line would result in competition which would give the lowest possible rates. I believe that our railway lines can compete with those of the United States in the matter of rates for the carrying of grain from the West to ocean ports. Why is it, then, that 60 per cent or more of our grain finds its way over American railway lines to American ports on its way across the ocean? The reason is simply that tonnage is more readily found at Boston and New York than at Halifax, Montreal and St. John. That condition will be accentuated after the war is over if no steps are taken to remedy it. The time is now opportune for the Canadian Government to embark on a scheme for building ships. We need not be deterred from taking that course because of the existence of privately owned shipyards. There could not be a better time for starting than the present, because the loss of tonnage has been so great that for many years the privately-owned yards will have more than they can do. If we are justified in taking from the public treasury money to build Government lines of railroad for the transportation of produce we are justified also in taking money from the treasury to establish transportation lines across the ocean. Moreover, I believe that the produce of Canada is discriminated against by the carrying of our wheat and flour across the ocean in vessels which represent the investment of British capital. Why should it cost three or four times as much to carry 100 pounds of flour across the ocean as it does to carry 100 pounds of wheat? I believe it is because many of the British millers, who have invested their money in vessels that are carrying our wheat across the ocean, place a high rate on flour in order to discourage the manufacture of flour in Canada and to have wheat carried across for their mills. That is a circumstance which justifies Government action. I need not point out the great advantage it would be to the whole Dominion if the Government would embark on a scheme of building ships to carry flour across the ocean free. Inducement would be held out for the carrying of our wheat over Canadian lines and there would be a corresponding benefit to our Canadian railways. Two of our transcontinental lines are finding it hard to get along.

Mr. HAZEN: Would my hon. friend have only wheat carried free, or would he have everything the country produces—lumber, cheese and so on—carried free?

Mr. EDWARDS: No, I would have flour carried free, but not wheat. Wheat, however, which had been carried over Canadian lines to Canadian ports, should be transported at as low a rate as possible; I would suggest that the rate be such as to hold out an inducement for the manufacture of the wheat into flour in Canada. The advantage which would result to the stock raisers and farmers of Canada is obvious. I do not think that lumber or cheese are in the same category as wheat. Reasons might be advanced why other produce might be carried free, but they do not occur to me. This scheme would be an advantage to the stock raisers and farmers generally in Ontario, Quebec and the Maritime Provinces. It would be an advantage to the farmers of the West, for they would obtain a few cents a bushel more for their wheat. It would be an advantage to the three transcontinental railway lines and to the men employed on them. The advantage resulting from the impetus to the shipbuilding industry would be more than it is possible to express in words. There will be a great shortage in tonnage after the war is over and unless a bold and vigorous policy is followed in the matter of building ships and providing shipping we shall have to depend on other more progressive countries for the transportation of our produce across the ocean. I merely wish to emphasize what I said on a former occasion: that I will endorse the policy advanced by any party of taking from the public treasury sufficient money to build Canadian ships under the supervision and control of the Dominion Government.

Mr. SINCLAIR: I am sorry that I did not hear what the Finance Minister said on this subject, in which everybody is so deeply interested. In listening to the discussion, I was surprised to have the idea forced upon my mind that the Government is still without a shipbuilding policy. We had a discussion a few evenings ago on this subject, and on that occasion the Minister of Trade and Commerce informed us that everything was being done; that the Government had adopted a shipbuilding policy; that it was in operation and working splendidly. It appears, however, that hon. gentlemen opposite are still at sea on this important question; that they have no policy in the matter. I am sorry for this, because it is a matter of vital importance to the people that a definite policy of shipbuilding should be inaugurated. We have an example of that in the proposal

made by my hon. friend (Mr. Edwards) who suggests that the Government should build ships to carry flour free across the Atlantic. I must enter a protest against that proposal. I cannot distinguish between flour and other commodities that we have for sale in so far as they would be affected by my hon. friend's proposal. I see no reason why flour should be carried free. Indeed, I am told that you can buy Canadian flour cheaper in Liverpool than you can in Montreal or Winnipeg. If that is true, it would be more advisable for my hon. friend to advocate that vessels be built to carry flour across from England free, so that Canada could get flour more cheaply. But that is a question which I think we do not need to discuss. I have not a policy ready but I have no doubt that the shipbuilding people of this country would be glad to consult with the minister in regard to this matter if he would call them together. Let me suggest to him that he announce that he is ready to do something in the way of stimulating this industry in Canada and that he is willing to meet the people throughout the country who are interested in shipbuilding, and I venture to say that he will have them call on him readily and give him their views. This I have no doubt will be of some value to him.

Mr. HAZEN: I have met many of them and I have received many different suggestions.

Sir THOMAS WHITE: So have I.

Mr. SINCLAIR: Are we to hope that any of these suggestions are to be put in force or will they go in at one ear and out at the other and nothing be done?

Mr. HAZEN: My hon. friend is a man interested in shipping and perhaps he will give us some suggestions.

Sir THOMAS WHITE: He started out to do so.

Mr. SINCLAIR: As I have stated on many occasions, all articles entering into the construction of ships should be admitted free of duty.

Mr. HAZEN: They are nearly all admitted free now.

Mr. SINCLAIR: I beg my hon. friend's pardon. There are scores of things that enter into the construction of ships that are heavily taxed.

Mr. HAZEN: My hon. friend will pardon me. He will find that the plates, the knees, the machinery, nearly everything that enters into the construction of a steel ship is either admitted free, or entitled to a drawback of 99 per cent.

Mr. SINCLAIR: Everything?

Mr. HAZEN: Practically everything.

Mr. SINCLAIR: Everything that is imported.

Mr. HAZEN: Yes.

Mr. EDWARDS: That would not be necessary on what is not imported.

Mr. SINCLAIR: I can mention scores of things that are manufactured in Canada and that enter into the construction of ships and that are heavily taxed, and there is no drawback.

Mr. HAZEN: There is no taxation on the plates.

Mr. SINCLAIR: My hon. friend can easily turn up the tariff and read a list of things that enter into the construction of ships and which are taxed.

Mr. HAZEN: I have never yet met a shipbuilder who thinks that the admittance of such articles free would encourage shipbuilding to any extent. It is a mere drop in the bucket.

Mr. SINCLAIR: I have never met a shipbuilder who did not hold a view contrary to that expressed by the minister.

Mr. HAZEN: You must have met different ones from those I have met.

Mr. SINCLAIR: You can allow these articles that enter into the construction of a ship to enter this country free of duty so that the shipbuilder will have an opportunity of securing cheap material, because at present he cannot successfully compete with the shipbuilder on the other side of the water where the articles do enter free of duty. A large quantity of paint, for example, is used in the shipbuilding trade. In England, if a shipbuilder wants to buy paint he buys the paint in the cheapest market in the world. A shipbuilder cannot get paint in Canada at the same rate as he could in the old country; he has to pay a high duty. If paint is manufactured here, the manufacturer sees that the consumer pays the duty; if it is imported, the duty is paid at the customs house. That is only one example.

Mr. EDWARDS: Following out your suggestion, why not build the ships somewhere else entirely? You would argue that the

ships should be built in England or in the United States or anywhere else where they could be built at the cheapest rate.

Mr. SINCLAIR: We shall never be able to build ships in Canada unless we build them as cheaply as they can be built elsewhere or unless the Government will make up the difference in the cost. When a ship is built, it has to compete with all the world for business.

If there is a cargo to be carried, that cargo is set up at auction by the brokers in London and the man who gives the lowest bid will get the cargo. If it is a cargo of grain to be carried from the River Plate, to Liverpool, the man who will carry it for one cent per hundred pounds less than the Canadian will get it, and if the Canadian ship costs $10, or $15 a ton more to build than the ship built on the Clyde, the Canadian in ordinary times can not earn the interest on his investment. That is the experience in the past and it will be the experience in the future. This is a vital question. If you give the Canadian builder an opportunity, he will be able to compete with the world. Free material is one of the things he must have if he is going to get along at all. It is a question for the Government to consider as to how that can best be done. The raw material which enters into the building of the ships costs more in Canada than in the Old Country.

Mr. EDWARDS: How about wages?

Mr. SINCLAIR: That question has also to be considered. The Government must solve the problem of how the difference in cost is to be made up, if they are going to help out the shipbuilding industry. My hon. friend (Mr. Hazen) has said that he has met many people and that they have given him suggestions. What I would like to see is that he should put some of those suggestions into practice and give us his policy. The fact that freights are high at present and that everything is abnormal does not relieve him from the necessity of doing something. This is the time to prepare for the competition in shipbuilding that is bound to come as soon as the war is over, and the sooner that he sets about doing something, the better. I trust that something will grow out of this discussion. We have already had many discussions on this subject, but they have all ended in the same way, that is, there has been no results from all that has been said. I am glad to know that my hon. friend has adopted the suggestion that I have made to him several times in regard to the commandeering of Canadian ships. Shortly after the war broke out, I brought this matter up in the House, and I took the ground that if ships on the Canadian register were to be commandeered, the commandeering should be done by the Canadian Government. That was not done at the first; it was not done in the year 1915, although I had brought the matter to the attention of the Government on several occasions. I am very much pleased, however, to know that the Government has arrived at that decision, because it is the proper decision: that if Canadian ships are to be used in the war by the Imperial Government, if they are on the Canadian register, they ought to be commandeered by the Canadian Government. In this matter the Government have taken a step in the right direction, and I wish to express my approval. If they will examine into the question they will find it is impossible in normal times for a Canadian shipbuilder to compete with the builder on the other side under present conditions. Let us hope that the minister will call together the shipbuilders from the different districts in Canada where they are engaged in this industry, and see what can be done in order to stimulate the industry and in order to start it in places where it has not been started so far. The minister knows very well the difficulty of getting material at the present time. It is almost out of the question to build any large number of steel ships at present, because you cannot secure the material with which to build them. I do not know what the minister's plan is in regard to wooden ships; if it is to build wooden ships with steel frames and wooden planks, I suppose we could do that successfully in eastern Canada. I do not know what the plan is, and I do not think that the offers that have been made by the Imperial Munitions Board are going to help the shipbuilders very much, because, so far as I can learn, they are not as good as the terms that can be obtained from ordinary merchants who want ships for ordinary trade. I am told that the proposal of the Imperial Munitions Board is to give a small percentage of profit to the builder; that the builder who invests his capital in the enterprise and produces the ships will have them purchased from him by the Imperial Munitions Board and a small amount such as eight or ten per cent will be given him as a profit

for building. The ordinary shipbuilder who has the ordinary common business ability that these people have can make a much better profit by dealing with some merchant who requires a ship.

There is nothing in the proposals of the Munitions Board, so far as I can learn, to stimulate shipbuilding very much in Canada. The fact that freights are high has done something, of course, to stimulate the industry. It is up to the Government to deal with this question themselves, and not leave it to the Munitions Board. Some policy should be framed by the Government without delay, which will establish the shipping industry in places where it does not already exist, and develop it in places where it has already been started.

Mr. MACDONALD: Does the Minister of Marine and Fisheries know where the plates are being obtained for these steel ships?

Mr. HAZEN: I do not know.

Resolutions reported and read the first time.

On motion of Hon. Mr. Hazen, the House adjourned at 10.40 p.m.

Wednesday, May 23, 1917.

The House met at Three o'clock, the Speaker in the Chair.

REPORTS AND PAPERS.

Report of the Military Hospitals Commission.—Sir Robert Borden.

Copy of correspondence with Sir Thomas Tait respecting his resignation as Chairman of the National Service Board.—Sir Robert Borden.

Copy of correspondence between the Prime Minister and the leader of the Opposition respecting proposals for the extension of Parliament.—Sir Robert Borden.

QUESTIONS.

(Questions answered orally are indicated by asterisks.)

LIEUT. GEDEON GRAVEL.

Mr. BOURASSA:

1. Has Gedeon Gravel, of the City of Levis, acted as recruiting officer or in any other capacity in the active militia of Canada?
2. If so, what was his rank, how long did he act in that capacity and how many recruits did he obtain?
3. Has he claimed any pay for services of a secretary or stenographer?
4. If so, how much?
5. What sums have been paid to the said Gedeon Gravel as salary, travelling expenses and other expenses, respectively?
6. Has his wife drawn any separation allowance?
7. If so, how much per month, and during what period?
8. Has the said Gedeon Gravel gone overseas? If not, why not?

Sir EDWARD KEMP:

1. Lieut. G. Gravel acted as regimental recruiting officer while on the strength of the 171st Overseas Battalion, C.E.F.

2. Lieutenant. This officer was appointed to the 171st Battalion on March 25, 1916, and resigned his appointment on November 22, 1916. No record of recruits obtained as he was regimentally employed.

3. There is no record that he claimed any pay for services of a secretary or stenographer.

4. Answered by No. 3.

5. $807.80—including subsistence allowance; travelling expenses $236.85.

6. Yes.

7. $30 per month—March to November, 1916.

8. This officer did not proceed overseas. He was struck off the strength of the battalion upon the recommendation of Lt.-Col. Price, officer commanding the 171st Battalion, on account of reduction of establishment when the battalion proceeded overseas.

QUEBEC AND ORIENTAL RAILWAY.

Mr. CHARLES MARCIL:

May 11—1. Has the Government received a resolution from the municipal council of the Township of Mann, County of Bonaventure, complaining of an alleged absence of any sort of fence along the right of way of the Quebec and Oriental Railway in that municipality, and that for that reason farmers are precluded from producing as they would like?

2. If such resolution has been received, has any action been taken by the Government? If so, what action?

Mr. PATENAUDE:

1. No.

2. Answered by No. 1.

NO. 8 CANADIAN HOSPITAL.

Mr. MACDONALD:

1. Who has been the Senior Medical Officer in charge of No. 8 Canadian Hospital, St. Cloud, Paris, since October last?
2. Has the unit and equipment of No. 6 Canadian Hospital, Laval Unit, been handed over to the French Government since October last?
3. If so, when?
4. If not, were they returned to the C.A.M.C.?
5. If so, when?

Sir EDWARD KEMP:

1. Lt.-Colonel E. A. LeBel, C.A.M.C.

2. Unit is under the command and administration of British authorities in France

Equipment remains the property of Canada.

3, 4 and 5. Answered in No. 2.

DOMINION LANDS OFFICIALS.

Mr. OLIVER:

1. What is the number of the following officials employed in the Edmonton land district north of the Saskatchewan River and west of Range Twenty-three, west of the Fourth Meridian, viz.: homestead inspectors; timber inspectors; forest rangers; fire rangers; and fishery inspectors?

2. What is the number of the above classes of officials employed in the Slave Lake, Peace River and Grande Prairie land agencies, respectively?

3. What is the number of the following officials employed in connection with the forest reserves lying west of Range Twenty-three, west of the Fourth Meridian, and north of the Saskatchewan River in the Province of Alberta, viz.: superintendents; timber inspectors; fire rangers; game guardians; fishery guardians, and other officials receiving pay from the Dominion Government?

Mr. PATENAUDE:

1. Interior—Homestead inspectors, four; only a small portion of two of these districts included in the tract described; timber inspectors, three; forest rangers, seven; fire rangers, thirteen.

Naval Service—One inspector of fisheries, whose jurisdiction extends over Northern Alberta. The Chief Inspector of Fisheries for Alberta and Saskatchewan also has jurisdiction over the sections named.

2. Interior—High Prairie: Homestead inspectors, one; forest rangers, one; fire rangers, two. Peace River: Homestead inspectors, one; forest rangers, none; fire rangers, five;. Grande Prairie: Homestead inspectors, one; forest rangers, none; fire rangers, seven. One timber inspector covers the three agencies mentioned.

Naval Service—Answered by No. 1.

3. Interior—Supervisors, four; timber inspectors, none; forest or fire rangers, eight; game guardians, none; fisheries guardians, none; clerks, three.

Naval Service—None.

BONAVENTURE RECRUITING OFFICER.

Mr. MARCIL:

1. Have any persons been employed to do recruiting in the County of Bonaventure, Quebec?

2. If so, who were they?

3. What sums have been paid them

Sir EDWARD KEMP:

1. Yes.

2. Lieut. A. N. LaBreque.

3. Pay and allowances of his rank, viz., $615.

DUTY ON GASOLENE.

Mr. DOUGLAS:

1. What is the total amount of Customs duty collected on gasolene under .725 gravity at 60 per cent temp. imported into Canada during the years 1915-16 and 1916-17?

2. What is the total amount of Customs duty collected on gasolene over .725 specific gravity imported into Canada during the years 1915-16 and 1916-17?

Mr. J. D. REID:

1. Free of regular duty. Customs war tax collected was as follows: 1915-16, $231,093.30; 1916-17, $249,037.35.

2. Gasoline over .725 specific gravity is not separately enumerated in the Customs Classification of Imports.

CAPTAIN JOHN ROBINSON.

Mr. TURRIFF:

1. Has Captain John Robinson of Kamloops been paid any sums in connection with his work as Recruiting Officer for the 172nd Battalion, C.E.F., by the Government or any Department of the Government, either as salary or expenses?

2. If so, how much?

3. When was he appointed?

4. Is he still employed?

5. If not, when did his services cease?

Sir EDWARD KEMP: I would refer the hon. member to the answer I gave to a similar question on the 14th instant.

J. J. WALSH.

Mr. MACDONALD:

1. What is the salary paid to J. J. Walsh sub-agent of Dominion Lands at Edson, Alberta?

2. What were the dates on which his salary cheques were forwarded to said Walsh since January 1, 1916?

Mr. ROCHE:

1. Nil.

2. Salary, October 4, 1915, to January 31, 1916, forwarded January 25, 1916; salary February, forwarded February 24, 1916; salary March, forwarded March 25, 1916; salary April, forwarded April 27, 1916; salary May, forwarded May 26, 1916; salary June, forwarded June 29, 1916; salary July, forwarded July 25, 1916; salary August, forwarded August 25, 1916; salary September, forwarded September 26, 1916; salary October, forwarded October 25, 1916; salary November 1-10, forwarded November 25, 1916.

HEALS STATION RIFLE RANGE.

Mr. MACDONALD: Before we leave questions, Mr. Speaker, I wish to direct the attention of the Minister of Militia to a reply given to a question with reference to a rifle range at Heals Station, British Columbia, asked by the member for Rich-

mond (Mr. Kyte), and answered on Monday last. The answer given was:

Sir Edward Kemp: It is not clear what rifle range area is referred to. If the hon. member will more clearly designate the property referred to, the required information will be furnished.

May I ask what more my hon. friend wants in the way of designation? Is there no rifle range at that place?

Sir EDWARD KEMP: I am advised by the officers of the department that there is no rifle range at that place. They want more definite information as to the place itself.

UNOPPOSED MOTIONS FOR PAPERS.

Mr. BOULAY:

For a copy of the Order in Council, if any, providing that preference in appointments to the Civil Service should be given to returned soldiers.

Mr. KYTE:

For a copy of all correspondence, telegrams, recommendations and other communications relating to the dismissal of Hector Urquhart, as lineman on the Dominion Government telegraph line between Grand River and Enon, Cape Breton County, Nova Scotia, and relating to the appointment of Dan A. McLennan to said position.

Mr. BOULAY:

For a copy of the evidence on the inquiry held by Commissioners Wigle, Barkley and Ostell upon the matter of the insults alleged to have been offered by French Canadians to soldier passing through the Province of Quebec.

CROSSING AT INTERNATIONAL BOUNDARY.

On the Orders of the Day:

Mr. PIUS MICHAUD (Victoria, N.B.): I wish to direct the attention of the Minister of the Interior to certain conditions existing along the boundary line between the state of Maine and my constituency. The American immigration agents are closing up international bridges between St. Leonard's and Van Buren and between Claire and Fort Kent. Canadian citizens are not allowed to cross the international bridges, or to come across on ferry boats, the operations of which are suspended at 7.30 p.m. The result is that medical doctors, who are often called upon to deal with urgent cases, are not allowed to cross by bridge or ferry. May I ask the hon. minister if this can be remedied?

Hon. W. J. ROCHE (Minister of Interior): I am not sure that this is not a matter entirely under the control of the American immigration officers. However, I will read my hon. friend's remarks in Hansard, and, if the matter is one over which the Dominion immigration authorities have jurisdiction, I will make inquiries into it.

Mr. MICHAUD: The minister must remember that these are international bridges, and that the ferry boats ply between the two countries.

PAY OF MILITARY OFFICERS.

On the Orders of the Day:

Mr. J. A. CURRIE: In my address to the House the other day, I stated that colonels at home were receiving $10 a day, while colonels abroad were receiving $5 or $6. The Minister of Militia made a statement in the House yesterday, in which he gave the figures of the pay of the officers of the expeditionary force. In my address I referred not to officers of the expeditionary force, but to lieutenant-colonels attached to the permanent corps, many of whom are receiving from $3,000 to $4,000 a year, but never intend to go to the war. I think the minister will admit that this is true.

COMPULSORY SERVICE—MINIMUM AGE.

On the Orders of the Day:

Mr. S. FRANCIS GLASS (East Middlesex): I wish to direct the attention of the House to a communication which I have just received from the Local Council of Women, of London, Ontario, and which reads:

London, Canada,
May 21st, 1917.

Dear Mr. Glass:—

I have been requested to bring to your notice a lettergram sent to the Premier from the above association, consisting of some fifteen women's organizations and membership of about 6,000, which was sent this evening, and to ask you as our member to give the request your kindly assistance and consideration. We do heartily endorse the stand taken in favour of conscription, but deem the age of 18 years too young, in the interests of our boys, both physically and morally unfitted for the hardships—

Mr. SPEAKER: Does the hon. member purpose asking the Government a question? There is no objection to his laying the ground-work for a question, but otherwise he is not in order.

Mr. GLASS: I will follow this up by a question; I have just about finished. The letter continues:

—and temptations they have to encounter, therefore pray the age will be raised from 18 to 20-21 years.

Thanking you in advance for the kind assistance we know you will give.

Yours truly,
(Mrs.) E. Yarker, Secretary.

I have a similar communication from the Current Topic Club of London. I wish to ask the Prime Minister if a communication to this effect has been received by him. We shall know when the Conscription Bill comes down what the intentions of the Government are as to the age limit.

Sir ROBERT BORDEN: I do not remember having my attention directed to the matter, but very likely a communication has been received. I may say that it is not the intention to make the age limit as low as 18 years. It will probably be not lower than 20 years.

Mr. SPEAKER: Questions such as that asked by the hon. member for East Middlesex are not of such urgent character as to require their being brought up on the Orders of the Day. I see no reason why such questions should not be placed on the Order Paper in the ordinary course.

PROPOSED CRIMINAL CODE AMENDMENT.

On the Orders of the Day.

Mr. NESBITT: May I ask the Minister of Justice whether he is going to amend the Criminal Code along the line of about a million petitions that we are all getting? I have no doubt that he himself has received several of them; I get them every day.

Mr. DOHERTY: I have not received quite a million petitions, but I have received a very large number which deal with a great variety of subjects. Will the hon. member mention the subject of the petitions to which he refers?

Mr. NESBITT: With reference to consent by young girls.

Mr. DOHERTY: The question raised by these petitions is at the present moment under consideration, and I am not in a position to give a definite answer to-day, but I hope to be able to do so within a very short period.

EMPLOYMENT OF ENLISTED MEN ON FARMS.

On the Orders of the Day:

Mr. E. M. MACDONALD (Pictou): I would like to ask the Minister of Militia whether or not he proposes to permit any of the soldiers at present in training in the camps in Nova Scotia to engage in farm work for the spring season. I have received some requests from the people of my county who are desirous of having their boys home for a couple of weeks and who wish to ascertain if leave will be granted if they make application. Last year permission was given. In Nova Scotia the farm work has hardly begun yet, and the desire is expressed that the boys might be given leave to assist in it.

Sir EDWARD KEMP (Minister of Militia): This year the conditions in reference to giving leave to members of the Canadian Expeditionary force to engage in farm work are entirely different from those of a year ago. Last year we had a great many soldiers in the country; this year there are not many left, and most of them have been warned to prepare to embark for overseas. We have had a few requests similar to that to which my hon. friend refers, but owing to existing conditions we have not been able to see our way clear to grant permission. The time when our soldiers are expected to embark for overseas is not very far distant, and there will be very little time for them to go on the farms. In addition, the granting of leave for such work tends to demoralize the force, and also a great deal of difficulty has been experienced because of men contracting contagious diseases, such as mumps, measles, and so on. For all these reasons we have not been able to grant leave to our soldiers, and in that respect we have laid down one rule to apply throughout the Dominion. Many of the troops at Aldershot will be going overseas shortly.

WAYS AND MEANS.

AMENDMENT BY HON. MR. OLIVER.

On the motion of Sir Thomas White (Minister of Finance) for the second reading of the resolutions reported from Committee of Ways and Means.

Hon. FRANK OLIVER (Edmonton): Mr. Speaker, before the resolutions are read the second time, in pursuance of notice given some days ago, I desire to move an amendment, but before doing so, I wish to make a statement of my reasons for moving my amendment. In presuming to discuss the Budget proposals laid before the House by the Minister of Finance, I consider the outstanding fact is that the revenues dur-

ing the past year are so very much greater than our revenues have been at any other period in the history of the country. The revenue raised during the year ended March 31, 1917, was $232,000,000, an increase of $60,000,000 over the revenue of the previous year and of $100,000,000 over the revenue of the year preceding last year; that is $100,000,000 more than was ever before collected from the people of Canada at any time in our history excepting last year. This is a sufficiently startling fact to warrant very close and careful consideration. If this enormous increase in the national revenue came in the ordinary way as the result of improved trade and increased development, then it would certainly be a matter for very great congratulation. If we had doubled our development as we have doubled our taxation, then as a country we certainly should be congratulated; we should certainly congratulate ourselves. But if we have doubled our taxation without increasing our development, then I am of the opinion that the circumstances call for very serious consideration and for anything but congratulation. As a matter of fact, at the present time, if we look through our cities, either in the East or in the West, there is no evidence of development; the situation is entirely the contrary. If we ask our working people— and it is the condition of the workingmen that is the real index of the prosperity of the country— we find from end to end of the Dominion complaint as to the conditions prevailing at the present time. If we look at our basic industries of fishing, lumbering, mining, agriculture, I have not seen in the returns the evidence of that increased development that, if it formed the basis of increased revenue, would be a matter for congratulation. If the conditions which I have set before the House are facts, it is desirable that we should inquire how it is that we have taken from the people such an enormous amount of taxation when there has not been amongst those people any corresponding development of the basic industries of the country.

The answer is that this enormous revenue has been possible because of the absolutely abnormal conditions, conditions brought about by the war, which must cease with the ending of the war; and the hope of every one is that those conditions will cease at the earliest possible moment. If we have not increased our taxing power as the result of development and the expansion of enterprise, when the happy day of peace comes we shall necessarily find ourselves with a burden of taxation which we shall have no adequate means of bearing. The Minister of Finance has been congratulated on the lucidity of his statements, and on his success in directing the financing of the country. If the business of Canada is of the same nature as a great financial or industrial enterprise, the minister is certainly entitled to all the congratulations he has received; but in my humble judgment the conditions are not at all parallel. If the manager of a bank, let us say, is able to declare a satisfactory dividend to his shareholders, and if the financial standing of the bank is good, it matters not to that bank, or at all events to the credit of the manager of the bank, what has happened to other financial institutions throughout the country. But the financing of our country is an entirely different matter. It is a matter of detail whether or not we have met our expenditure out of revenue this year. If we have not, then of course we can criticise the Minister of Finance. But the important thing is the financial condition of the country at large, whether the people of this country are in a position to carry the burdens that are now being imposed on them. Even more important is the question whether they will be able to carry the burdens that we know beyond question must be imposed upon them in the future. It appears to me that the question for consideration by the Minister of Finance and by this Parliament is not so much whether to-day we are able to balance expenditure by revenue, as to know whether our course has tended towards enabling our people to carry with greater ease the burdens that are now imposed upon them and the still greater burdens that must be imposed upon them later on.

We are raising to-day $232,000,000 from our people, and, as I have said, this enormous amount of revenue is made possible by the present abnormal conditions. The war has enhanced the price of our products, and has caused the establishment within our borders of tremendous industries engaged in the manufacture of munitions. These industries have given high wages to a number of our people, and thus have made possible the raising of this large amount of revenue. But if our basic industries of agriculture, mining, lumbering and fishing are not expanding, or if, as a matter of fact, their expansion is being restricted and they are being dwarfed by reason of the method of financing our country, then it is our business to

draw attention to that fact and to attempt to secure as far as possible a change that will tend to permit, if not to encourage, the development of those basic industries upon which we must depend for our national revenues and for our standing as a state when the war is over. It is to that point I desire to direct the attention of the House and of the Minister of Finance.

We must levy an enormous burden of taxation in order to meet in any reasonable measure our present requirements. In comparing the system of taxation in Canada with the system in Great Britain, I find that in Great Britain, which shows an equally enormous increase in national revenue during the past year, 60 per cent of the total revenue of the United Kingdom was derived from the taxation of excess profits and the taxation of income and property, and only 22 per cent of the total was derived from customs and excise. In Canada we have raised 6½ per cent of our revenue from the taxation of excess profits. We have taken not a cent from income or property, and we have taken 69 per cent from customs and excise. I therefore arrive at this conclusion. If we are to judge by the experience of Great Britain we are not levying our taxation to the best advantage. We are taking too much of our taxation from customs and not enough from wealth and excess profits. I conclude that Great Britain is able to do as she is doing, as she has done and as she will do in the future, very largely because of her system of getting the bulk of the taxation from wealth and profits incidental to the war, and not from the poorer people; whereas in Canada, 69 per cent of our $232,000,000 comes from customs and excise, and 6½ per cent from excess profits. I am told that we have had $1,500,000,000 worth of war orders in Canada since the war began. We must allow also for the enhancement of the value of our products. If out of this enormous increase of wealth-production in our country we are able to derive only 6½ per cent of our total burden of taxation, I am compelled to say that the burden of taxation in Canada is absolutely inequitably distributed; and that it is in large measure because of that inequitable distribution of the burden of taxation that we find that lack of development of our basic industries of which I speak. If we do not develop these basic industries during the war, I tremble to think what the financial condition of Canada will be when the enormous war contracts are cut off and we are compelled to depend upon our ordinary trade, not only for our ordinary expenditure, but for revenues to enable us to bear the enormous extra burdens that necessarily will rest upon our shoulders by reason of the war.

In 1914, the year when the war began, we added to our previous burden of taxation special taxes amounting, as estimated by the Finance Minister, to $14,000,000. These taxes were levied in large measure upon the most intimate necessities of life, such as sugar and coffee, so that the burden of that taxation rested, in much the largest proportion, upon the shoulders of the poorer people. In 1915, the Finance Minister estimated that the increased taxation imposed by him in that year would yield $35,000,000. Part of it was in the form of direct taxes, and part in the form of a level increase of seven and one-half per cent in customs duties. This latter really meant an increase of one-quarter in the tariff burden that had been carried by the people of Canada up to that time. This burden was not adjusted to circumstances, or to the different classes of people who had to pay it, but was a level increase of one-quarter in all customs duties. This increased the burden upon the common people, those of less means and greater requirements, in immensely larger proportion than upon the people of larger wealth and less proportionate requirements. During the past year, the burden of taxation was increased by an amount which the minister has estimated at $12,500,000. This was in the form of a tax imposed upon excess profits. It is not in the same class with the seven and one-half per cent tariff increase or the special tax on necessaries levied in 1914. It can only be considered, however, as an addition to the general burden of taxation. It has not the special demerits of these other taxes of which I speak. On the whole, we find that in the three years the Finance Minister has increased the tax burden upon the people of Canada, according to his own estimate, to the amount of about $60,000,000. Strange to say, that is almost the exact amount which he estimates he will be able to pay for war expenditures out of the revenues of this year.

Now, if this $60,000,000 of extra taxation were the only additional burden that the people of Canada had to carry, they are wealthy enough, they are industrious enough, to be able to carry it without very great hardship—although I still maintain that, owing to the inequality of its imposition it is made unduly and unnecessarily

heavy to be borne. In looking over the Labour Gazette, published by the Department of Labour, I find estimates of the cost of the weekly food supply for a family of five at different times. The estimate has increased from $6.95 in 1910, to $10.45 in 1917—in round numbers an increase from $7 to $10.50, that is $3.50, or fifty per cent. If there are a million and a half of families in the Dominion of Canada, this increase would mean that besides the $60,000,000 of additional taxation that the Government is levying upon the Dominion of Canada, the people are bearing an additional burden of $275,000,000 in the increased cost of living as compared with 1910.

Mr. BURNHAM: Is that money going out of the country?

Mr. OLIVER: No.

Mr. BURNHAM: How then can the people be bearing an additional burden?

Mr. OLIVER: Because they are, that is all.

Mr. BURNHAM: It is only changed from one shoulder to the other.

Mr. OLIVER: They have to pay the money. The people who are getting the money are not complaining, but the people who are paying it, and there are more people paying it than getting it. For instance, the Davies Packing Company have $2,800,000 worth of food products in their storage, and the people who buy it have to pay for it. But the Davies people are not complaining.

Mr. BURNHAM: I understood the hon. gentleman to speak of the people as a whole.

Mr. OLIVER: I am speaking of the people in the large majority. The statement of the Minister of Finance on increased taxation, and the statement of the Department of Labour on the high cost of living, indicate that the people of Canada are paying approximately $330,000,000 a year more than they were paying in 1910. I do not consider it remarkable, under these circumstances, that there is not a satisfactory development of the basic industries of the Dominion. I call the attention of the Minister of Finance to these facts with a view to suggesting to him that, instead of heaping up taxation without regard to its incidence, it is certainly for him to study the conditions and adjust the burden of taxation so that it shall be in accord with the ability of the people to bear it.

Naturally, Mr. Speaker, being from Western Canada, the conditions as applied to that part of the country appeal to me more directly than the conditions in other parts. May I be pardoned if I occupy a few minutes of the time of the House in dealing with the conditions there particularly? Whatever may be said of the great natural resources of Canada, its mines, its timber, its fisheries, or whatever else may be counted, it is admitted now that the great resource of Canada upon which the development and the greatness of Canada as it is to be must necessarily depend, is to be found in the Prairie West. In the thousand miles of fertility lying between the Red River and the Rocky Mountains, and in the development of that fertility and bringing it into a state of productiveness, will Canada find her greatness. So, it is a matter of deep interest to every citizen of Canada, wherever he may live, to know whether development is progressing in that part of the country or not and if it is not, why, and what can or may be done to improve or increase that development. The facts, shortly, are that in the Prairie West, in 1910, according to the Census and Statistics Monthly, there were practically 13,000,000 acres of land under cultivation. In 1911 there were 16,500,000 acres of land under cultivation, an increase of 3,500,000 acres as compared with 1910. In the year 1912 there were 18,318,000 acres under cultivation, an increase of 1,750,000 acres over 1911, and in 1913 the area under cultivation was 18,398,000 acres, an increase of less than 100,000 acres over the previous year. In 1916 the area under cultivation was 19,910,000 or an increase of 1,500,000 acres over 1912, a period of four years. We have an increase of 3,500,000 from 1910 to 1911, an increase of 1,750,000 acres from 1911 to 1912, and an increase of 1,500,000 from 1912 to 1916. To use a favourite expression of the Minister of Finance, the slackened development in the Northwest synchronizes with the application of his financial policy to the affairs of this country. I am bound to conclude that there is a most intimate connection between the two circumstances.

If I may be permitted to deal with a feature of this development that is not directly connected with the tariff but which is, I submit, most intimately connected with the Budget, that is to say with the development and revenues of the country, I would like to mention this fact. We have heard a great deal about the price of wheat that prevails at the present time and it is largely understood that the farmers of the Prairie West are practically holding up the rest of the Dominion and the British

Empire in the matter of foodstuffs, particularly wheat. The Prairie farmer is supposed to receive $3 a bushel and the price of flour in the Maritime provinces is, I think, $15 a barrel as a result. The suggestion is that the Maritime province man is paying $3 a bushel to the Prairie farmers. As a matter of fact, the wheat crop of last year, except a few million bushels, left the farmers' hands at a maximum price, so I am credibly informed, of about $1.75 per bushel. That was the utmost he got and it ran down from that to possibly $1.30 or $1.20 —a good price, a price that was satisfactory to the farmer at the time, and he is certainly not complaining about it. Because of that price he is doing everything he can to extend his farming operations. The price of $3 a bushel for wheat is the price that fixes the cost of a barrel of flour in the Maritime Provinces and the farmers did not get the difference between the $1.75 and the $3. That was the result of market manipulation. As a result of market manipulation on the officially estimated amount of 70,000,000 bushels of wheat of last year's crop in dealers' hands, not in farmers' hands, and acquired by the dealers at a maximum of $1.75 a bushel, somebody pays a bonus to somebody of $70,000,000 and over, and the Maritime Province man who has to pay $15 a barrel for his flour is helping to pay that $70,000,000.

Mr. THOBURN: Are the consumers in the Maritime Provinces paying more for a barrel of flour than they are paying for a barrel of flour in any other country in the world?

Mr. OLIVER: I could not tell my hon. friend anything about that; I can only tell him that the farmer got $1.75 for his wheat, that the man who bought it was selling it at $3 and over, and that it was the selling price of wheat that fixed the price of flour.

Mr. CURRIE: Will the hon. gentleman tell the House the amount of grain in the hands of farmers on the first of May, when the $3 price obtained?

Mr. OLIVER: No, I cannot, nor can anybody else.

Mr. CURRIE: I notice that hon. gentlemen from the West are always clamouring for cars to move out the grain and claiming that the farmers in the West have not been able to get their grain out.

Mr. OLIVER: Nobody can tell how much grain there was in the farmers' hands at that time. There may have been much or little, but we know what was in the dealers' hands and we know how much that grain appreciated in value. And we know that that appreciation is what fixes the price of flour, and that the farmer does not get it. If I am within the rules I wish to carry this matter a little further, and perhaps my remarks may be slightly aside from the Budget discussion; but when $70,000,000 are in question and when the people of Canada are paying their share of that $70,000,000, they are entitled in this House of Commons to any information that they can get on the subject. It is an abnormal condition, it is a tremendous addition to the burdens carried by the people of the country, and they are entitled to know something about how it occurs that such burdens are being carried. To follow the suggestion of my hon. friend from Peterborough (Mr. Burnham), if the farmer got the $3 and the Maritime man paid the price for this flour, the money would be in the country just the same; but when the farmer does not get it and the Maritime man pays the price for the flour, then the farmers, at any rate, are interested in knowing who gets it and how it happens.

Mr. BURNHAM: Is it not a fact that on analysis of the statistics of the United States Congressional Board that was appointed for investigating these very things, also of the Minnesota Board and the New York Board, and of the Fruit Associations of Georgia, Alabama, Tennessee, Florida, California and Oregon, also of the Wheat Boards of Kansas and the Northwest, it has been ascertained that the farmer, allowing for the steadiest possible conduct of the trade in agricultural products, receives only from 57 per cent to 61 per cent of the final price of the grain after it has been manufactured?

Mr. SPEAKER: I regret very much to have to intervene, but the rule is that the discussion should be relevant to the resolution, especially on the second reading, and I would ask the hon. member to bring his remarks to a close as conveniently as possible.

Mr. OLIVER: I should think that very probably my hon. friend is correct. While I made my apology, I would ask your consideration, Mr. Speaker, because in the conclusion of my argument I want to assure you that the point I desire to make has the most direct possible bearing upon the condition of the revenue of this country, pre-

sent and future, if that would bring me within the rules of the House.

Mr. SPEAKER: If the hon. member directs his remarks so as to make them relevant to the question, he is in order.

Mr. OLIVER: I wish to assure you, Mr. Speaker, that on the conclusion of my argument it will be found that I am absolutely speaking to the point; though it may seem that in laying the foundation of my remarks I am somewhat aside from the question. It is obvious that, if the consumers of Canada are paying an abnormal price for the first necessity of life, and the producers of that necessity of life in Canada are not receiving that price, an undue advantage is taken of the consumer on the one hand and of the producer on the other, and that the burden militates against the ability of both producer and consumer to carry on the ordinary affairs of life. The question of grain prices in western Canada depends largely upon transportation and manipulation, and when the exigencies of transportation can be turned to account by those whose business is manipulation, as they are systematically turned to account, then all the people of this country, both producers and consumers, suffer, and the well-being and the welfare of the country, and the revenues of the country, suffer correspondingly. Last fall, in the province of Alberta, served by three competing railroad lines, there was a grain embargo for a considerable period on all these lines, the Canadian Pacific, the Grand Trunk Pacific and the Canadian Northern. Those who are familiar with the conditions will know that when a railroad is unable or unwilling to transport the farmers' grain to the market, the result is a depreciation in the price of his grain. That must be obvious. And I am saying here in my place in Parliament and on my responsibility as a member, that in the earlier part of the last market season, 1916, those three railroad companies refused to haul grain from points in Northern Alberta. I am not saying anything about the rest of the country, I am speaking of what I know. And because they refused to haul that grain, the price of grain to the farmer was seriously depreciated. From time to time during the market season the newspapers have noted that one railroad company or the other, and frequently the three, had placed an embargo upon the transportation of grain to Fort William or to Minneapolis. They were willing to take the grain of Alberta to the storage elevators in Calgary or Moosejaw or Saskatoon, but they had placed an embargo upon the transportation of grain to Fort William or Minneapolis.

4 p.m.

I wish to draw the attention of the Minister of Finance, the Minister of Railways, and the Government of this country to the fact that, so far as I know, last season was the first season in the Dominion of Canada, or in the British Empire, when railways simply set the common carriers law of Britain at defiance, to the detriment of the farmers of the West in the price that they received for their produce. In the season of 1915 there was a very large production, and it was not possible for the railroad companies to carry that grain forward as it would be desired. They therefore placed embargoes, so-called, upon the carriage of grain. But these embargoes were of necessity. The embargo of last year, on the other hand, was not an embargo of necessity; it was an embargo of defiance of the rights of the people of Canada, a defiance with the authorization, I believe the active authorization, and knowledge of this Government. By no other means could it have been effected, We have in Canada three transcontinental railroads——that is, if the Government has not already torn up the rails of one or two of them. The Transcontinenal Railway was built for the sole purpose of providing an all-year-round market for the grain of the western farmer by giving him an all-rail haul to an open ocean port all the year round. The grain there, would not be held back in interior elevators under the control of professional manipulators, thus depressing the price to the farmer and making possible an increase of the price to the consumer. The interior storage elevators at Moosejaw, Calgary and Saskatoon were used last winter for the express and sole purpose of enabling the manipulation of grain prices.

Sir THOMAS WHITE: Were held by whom? Who were the manipulators? I do not follow my hon. friend.

Mr. OLIVER: Those who manipulated the grain prices were able to hold quantities of grain in the interior elevators, thus keeping down the price to the farmer, while holding the grain against the eastern buyer. I repeat that that was the only purpose that these elevators were used for last winter. There was no shortage of rolling stock for the carrying forward of that grain as it should have been carried forward. No condition warranted the refusal of the railroad

companies to carry the farmer's grain to any point that he wanted it carried to. It is the first time in Canada's history that a railroad company has dared to take that position. Certainly no railroad company ever dared to do it under the administration of the preceding Government.

Sir THOMAS WHITE: Did the Railway Commission not order the railways to take the action which they did take? I do not follow my hon. friend's argument.

Mr. OLIVER: The Railway Commission must have consented to it.

Sir THOMAS WHITE: Does my hon. friend seriously suggest that the members of the Railway Commission were engaged in a conspiracy with the grain manipulators to prevent the farmers from sending their grain forward to the markets of the world?

Mr. OLIVER: I am not making accusation against anybody; I am making a statement of facts. The Railway Commission, the Government and the railway companies can divide the responsibility among them, as suits themselves.

Mr. CURRIE: Was it not better for the farmer not to be allowed to sell his grain last fall at $1.75? Was it not better that he should have to hold it until this spring, when he is getting $3 for it?

Mr. OLIVER: Surely.

Mr. PUGSLEY: What about the consumer?

Mr. OLIVER: Of course the farmers would have won if they had been able to keep that 70,000,000 bushels. But they were able to keep only a trifling portion of it; the 70,000,000 bushels were taken out of their hands by the manipulators.

Mr. CURRIE: How could they take it out of the farmers' hands? They had no power.

Mr. OLIVER: Because this good Government built convenient storage elevators in which they could hold the grain at their convenience. It was said that this grain was not carried to Fort William because there was no storage capacity at that place. The returns of the Department of Trade and Commerce, however, show that the number of bushels of grain in storage at Fort William in October was 9,000,000; in November, 14,000,000; in December, 12,000,000; in January, 21,000,000, and in March, 23,000,000, whereas the capacity of the elevators is 41,000,000 bushels.

Mr. CURRIE: Is it not a fact that the bulk of the storage at Fort William is owned and held by the Grain Growers' Grain Company? Why did they not give accommodation to the farmers? Why did they not ask the farmers to bring the grain there for storage?

Mr. OLIVER: I know nothing about the Grain Growers' Grain Company; I do not know why they did not do as my hon. friend suggests. I am telling the House what happened to the farmer, and how it happened.

Mr. CURRIE: Why did the Grain Growers' Company not help them out?

Mr. OLIVER: The farmers of the West expect the Government to exercise in their behalf the authority which they possess. I am drawing the attention of the Government to these facts, and the Government, I am sorry to say, does not seem to be very sympathetic or receptive.

Mr. SCHAFFNER: Are not the farmers of the West entitled to store their grain in these interior elevators?

Mr. OLIVER: They are, if they want to.

Mr. SCHAFFNER: Would that not be exactly the same thing as storing it in Port Arthur? I do not see any difference. They did not have to sell.

Mr. OLIVER: If I want to ship my grain to Fort William I have a right to ship it there. When the railway company says to me: we have put an embargo on the shipment of grain to Fort William; we will take your grain to Saskatoon, but not to Fort William—I say that that is trespassing upon my rights. Further, that trespass is committed in somebody else's interest; it would be nonsense to argue anything else.

I have been referring to the enormous burden laid upon the people by reason of the appreciation of $70,000,000 in the price of grain. This increase was made possible because of the holding back of the grain. There was no reason why the grain should not have gone forward, because ample facilities existed for that purpose. This country has put hundreds of millions of dollars into the construction of railroads for the purpose of facilitating the transportation of grain. One of these railroads has for years been under the absolute and direct control of the Government. Held back, therefore, in the interior elevators or at Fort William, this grain was made the subject of manipulation against the interests of the farmers—and somebody gets $70,000,000 to which he is

not entitled. Certainly the farmer does not get it. If the crop of the prairie West were carried forward from day to day to the Atlantic seaboard, as it can and should be carried forward, such stupendous manipulation of prices as took place last year and as has taken place in other years would not be possible. All that the farmer has asked is that he get the Liverpool price. Under present conditions the man in Liverpool ought to get his wheat at the price at which the Canadian farmer sells it, plus carrying costs and charges. When we permit a condition under which $70,000,000 is taken from the consumers, whether in Canada or in England, we are certainly not properly appreciating our responsibilities. The railroads have been built for the purpose of carrying the grain, but we refuse to use them for that purpose. When such abuses as this occur it is desirable that the country should know who is responsible.

If we find a lack of development, or a failure to develop, we must put the responsibility where it belongs; we must let it be known that it is because the money that was paid for that wheat did not go to the producers of the wheat to enable them to expand production, to increase development, and to increase the ordinary and regular revenues of this country, so that instead of having stagnation we would, to that extent, have development amongst our own peoples, or our Allies and friends in England would get their grain at a lower price.

The question of railway transportation is of enormous importance; it is as important as the tariff question; but the tariff question is the one that is most intimately associated with the resolutions before the House, and I desire to move an amendment to those resolutions having relation to tariff matters, believing that the time has come when it must be apparent to every man, no matter on what side of the House he sits, or what particular faith he professes, that we are in this country pursuing a fiscal policy that is absolutely to the detriment of the country, and that is liable to lead to the financial ruin of the country when the present abnormal conditions give place to those of ordinary life. We shall find ourselves then with the tax-paying power that we had before the war of $120,000,000 to meet interest charges on a total debt of $1,000,000,000. That is an impossible situation, and there must be some other recourse; we must devise some other means of increasing our development in order that we may increase our revenue, and we are not increasing our development under the fiscal policy that the Minister of Finance has imposed upon this country in the past five years. I believe we cannot expect to increase our development under that policy and the time has come to change that policy, to give our policy another direction that will lighten the burden of taxation upon our people and that will increase our opportunities for the development of the country, as the only means whereby we shall ever be able to carry the enormous burdens that are being laid upon us.

I will say just another word in regard to this matter. Having in view the enormous obligations that we must necessarily take upon ourselves in connection with the war, I must point out that the Government have not taken cognizance as they should of that fact in cutting down the ordinary expenses of the country. What is the answer when the Government is criticised for expenditure? Why, they say: We are spending only a little more or a little less than we did last year; we are spending only a little more than we did a few years ago. When this country is going behind at the rate of half a billion dollars per year for war purposes, is it a time to make comparison with what we did in time of peace? Is it not a time to enter upon a policy of economy in regard to ordinary expenditures such as was never thought of in time of peace? This Government do not seem to know that a war is on or that war conditions have to be met. So long as they can borrow money, they are satisfied to spend in any way that is convenient to them. The expenditure of Canada was about $120,000,000 in 1911, when there was no war, and when the country was enjoying a very high measure of prosperity. In this past year we have spent, if I understood the minister correctly, in the neighbourhood of $150,000,000 on current and capital expenditure exclusive of pensions, interest on war debt, and war expenditures, that is, we have spent nearly $30,000,000 more on ordinary accounts than we spent in the year 1911. When we spend more in a year when we are facing a war debt of over $1,000,000,000 than we spent in a year when we were enjoying the highest prosperity and when a war was absolutely unthought of, I submit that under those circumstances the Government are chargeable with absolute neglect of duty and lack of recognition of the terrible circumstances in which the country finds itself. While I urge upon them a policy of economy in the matter of ex-

penditure, I desire to place before the House certain suggestions in regard to a change of tariff policy that, may and I hope, will meet the support of our friends on the other side. I desire to move, seconded by Mr. Carvell:

That all the words after the word "that" be struck out and the following substituted therefor:

"In the opinion of this House it would be in the public interest if the Customs Tariff Act were so amended as to provide:

1. That wheat, wheat flour, and all other products of wheat be placed upon the free list.

2. That farm implements and machinery, farm tractors, mining, flour and saw-mill machinery, and repairs for same, rough and partly dressed lumber, illuminating, lubricating and fuel oils, cement and fertilizers be added to the free list.

3. That staple foods and food products (other than wheat flour), domestic animals and foods therefor, be admitted into Canada free of duty when coming from and being the product of, any country admitting like Canadian articles into such country free of duty.

4. That substantial reductions be made in the general tariff on all articles imported into Canada, excepting luxuries.

5. That the British Preference be increased to fifty per cent of the general tariff."

In regard to the different items of this amendment, may I speak in regard to item No. 1? I am speaking for myself as a representative from the West, and in regard to item No. 1, the position that I would desire to see the House take is this: In the Prairie West we are producing the great basic food products of the world. We are producers of that product for export, as well as for home consumption. In eastern Canada there is no great production of wheat, but it is in eastern Canada where the bulk of our population is situated, where there is the greatest amount of industrial employment, and where the cost of food, and particularly of flour, the basic article of food, is the most important matter in the economy of the worker's family. Those who think with me are prepared to see that basic product admitted into Canada free of duty without regard to the action of any other country; that is to say, in order that our fellow citizens in eastern Canada may have bread as cheap as we can give it to them, we are willing to produce the wheat irrespective of the duties imposed against it by any other country.

Mr. BURNHAM: Does the hon. gentleman think that the free importation of wheat would greatly lower the price of western wheat?

Mr. OLIVER: I do not know whether it would or not; I am not arguing that. I am merely stating the position we take.

Mr. CURRIE: Do I understand that the hon. gentleman proposes to put coal on the free list too. It takes coal to make bread as well as flour.

Mr. OLIVER: It takes salt and water and elbow grease, and a lot of other things too. One thing at a time. My hon. friend and I are moving this particular item of the resolution on the principle that as this is our basic product, as it is the basic necessity of our fellow-citizens in eastern Canada. We desire to show good faith in our demands for a lower tariff by asking that this article be placed absolutely on the free list without regard to the duties levied upon it by any other country. Having taken that position, we then ask our friends of eastern Canada to consider this; that in producing wheat in competition with the whole world, which is our position, we must use machinery in very large degree, that without machinery we could not produce the wheat in quantity or at a price, that our wheat fields are situated in the heart of the continent, that our haul to the sea-board is longer than that of any other export wheat producing area in the world, that we have that handicap to overcome. We must have machinery in order to produce in quantity, because unless we produce in quantity we cannot produce at a competing price. So we ask our friend in the east to go so far with us as to give us these articles of basic necessity in the production of wheat free of duty, and as cheaply as they can give them to us.

Sir THOMAS WHITE: Why did my hon. friend not place these articles on the free list when he was a member of the late Government?

Mr. OLIVER: I really fail to see what that has to do with the case.

Sir THOMAS WHITE: I am merely asking a question. If my hon. friend does not choose to answer, all right.

Mr. OLIVER: I am sorry to say that I cannot answer it. I do not think it has anything whatever to do with the case. I may point out this, however: When the late Government was in office the production of the Prairie West was increasing at the rate of from 1,000,000 to 3,000,000 acres per year. Conditions were to that extent apparently satisfactory. To-day, under present conditions, production is not increasing, and I think it will appeal even to my hon. friend that under those circumstances, what might not have been necessary six

years ago might be very necessary to-day, as it certainly is.

Item No. 3 reads:

> That staple foods and food products (other than wheat flour), domestic animals and foods therefor, be admitted into Canada free of duty when coming from and being the product of any country admitting like Canadian articles into such country free of duty.

That is a simple statement of trade for trade. We believe that the principle is sound when applied to the basic necessities of life. We believe that both east and west in Canada stand to benefit by that proposal, and that no part of Canada stands to lose.

Ws ask that substantial reductions be made in the general tariff on all articles imported into Canada excepting luxuries. We are asking the minister to reverse his policy. His policy has been to pile taxes upon taxes, to put tariff increase upon tariff increases, to hamper trade and increase the burdens of the people. We have shown him that under his policy there has not been that development of our basic industry which the country needs and we ask him to change his policy, not because this is our policy, but because it is in the interests of Canada that there shall be a change in policy.

Finally we ask that the British preference be increased to 50 per cent of the general tariff. It may be suggested that the British preference is a jug-handled arrangement—that we give, but we get nothing. I maintain that we do get, and we get for everything we give. I read just to-day that a careful calculation of the effect of the British preference upon our imports shows that it has lightened the burden of taxation upon the Canadian people by over $5,000,000 in 1910, by over $8,000,000 in 1913, and I think by nearly $8,000,000 in 1914. I submit that any feature of our tariff that lightens the burdens on our people to that extent is an advantage to us. The British preference is not something that we are only giving; it is something that we are taking for ourselves, and I maintain that an increase of that preference to 50 per cent would be a still further benefit to ourselves. And if it should be a benefit in any degree to the people or the industries of the United Kingdom, are we here to object to that? When we get our share of the benefit, surely we are willing that they should have theirs.

Mr. SPEAKER: I have considered the amendment of the hon. member for Edmonton (Mr. Oliver). May's Parliamentary Practice, 12th edition, p. 495, says:

> An amendment to the question that a resolution (from the Committee of Ways and Means) be now read a second time, must be relevant to a matter contained in the resolutions that await a second reading.

The subject matter of the resolution is the imposition of taxation upon profits, and the resolution has to do with that subject only. The amendment of the hon. member (Mr. Oliver) has to do with the general question of the tariff. It is, in my judgment, not relevant to the resolution and therefore not in order, and I so rule.

Mr. OLIVER: Do I understand you, Mr. Speaker, to rule that my amendment is not in order?

Mr. SPEAKER: I have ruled that it is not in order.

Mr. OLIVER: May such an amendment be moved at any stage of the proceedings?

Mr. SPEAKER: There will, I think, be other opportunity.

Mr. W. A. BUCHANAN (Medicine Hat): I have not occupied the time of the House in this debate up to the present time, but I wish to go on record in favour of the ideas advanced by the hon. member for Edmonton (Mr. Oliver), not because they are ideas that are favoured very strongly in western Canada so much as because I believe they are of national advantage. We must remember that we are here representing all parts of Canada. I do not want any legislation to be passed in this Parliament that would be of injury to Canada as a whole. At the same time, I want to see the part of the country from which I come given proper attention by this Parliament, and legislation adopted that will be helpful in the development of that section of the Dominion, and advantageous, at the same time, to Canada as a whole. I think I can advance some reasons why the tariff should be reduced, and certain articles placed upon the free list, because—

Mr. SPEAKER: I regret to be obliged to interrupt the hon. member. If I properly apprehend his remarks, he purposes addressing himself to the subject matter of the amendment of the hon. member for Edmonton (Mr. Oliver). That amendment I have ruled out of order, and consequently the remarks of the hon. member would not be in order.

Mr. BUCHANAN: I will try and meet your wishes as best I can, Sir. The taxation

proposed by the Minister of Finance in his Budget speech follows lines with which I do not agree. In my opinion we should reach everybody in this country with forms of taxation properly adapted to that end; at the same time, I believe, that we should relieve the great body of the people from taxation as much as possible. In the West, from which I come, there is a continued demand for relief from some of the burdens of taxation that now exist, and that demand is inspired by a desire to improve the conditions of the farmer of the West and of the western people as a whole. We want to increase production in that country. We want immigration into western Canada to be increased; we want contentment to exist among the farmers of the western prairies. And we believe that the best way to increase immigration, to develop our resources, and to bring about contentment is to relieve the farmers from some of the burdens of taxation that now exist and to adopt other means of raising our revenue. Efforts have been made by the Government to increase production. You cannot increase production by taxing the implements of the farmer. Let me quote an instance from the city of Lethbridge. During the present year about 200 tractors were purchased by farmers in that district, usually through agents in Lethbridge. These machines are to be used for the purpose of increasing production at the call of this Government. In their efforts to increase production the farmers had to pay $60,000 in duties on these two hundred tractors. I say that is unfair to the farmers of western Canada. I have a letter here from a farmer in my own constituency. I do not say I am in favour of all the arguments advanced, but the letter will give some idea of the obstacles the farmer in the West has to face and of the ways in which, according to the opinions of those farmers, there obstacles should be dealt with:—

> If the Government is going to set the price of wheat, let them take off the duty on farm machinery and regulate the price of farm labour. Labour is $70 per month and board, where we formerly paid $35 for the same thing, and nobody knows what it will be by the day at harvest. Engines are so high we cannot afford to have them. I have a case of ourselves. We want to get an Aultman-Taylor 18-36 engine. It costs in the States $2,400; in Canada, $3,600. Is that right? They claim the duty and freight make up the $1,200 difference. Now, if the Government are going to tell us at what price we shall sell our wheat, let them take off the duty on all our engines and implements and regulate the price of farm labour.

The farmers are paying these exorbitant taxes on productive implements, and at the same time they are urged to be loyal and to increase production. I think it is generally the opinion of the people of western Canada, and I know it is the opinion of the organized farmers there, that our system of taxation should be changed so that we should raise most of our revenue by other methods. They are in favour of an income tax, they are in favour of a land tax and so am I.

I am in favour of an income tax because I believe that is the fairest method of raising the revenue. Under the present system very many men escape taxation who should not be permitted to do so. During the war we are endeavouring to raise money by compelling corporations to pay higher taxation but we are not getting at people we should get at and those are the wealthy individuals of this country. It has been my experience during patriotic fund campaigns in the southern part of Alberta to find some of the greatest shirkers with regard to patriotic giving to be men of the very greatest wealth. These men are not only shirking patriotic giving but they are not contributing the amount of taxation that they should. The only way they can be reached is by a form of income taxation. In the city of Calgary it was almost impossible to reach one of the wealthiest property owners for the first two years of the patriotic fund campaign or to get a cent from him for any patriotic purpose. That man was not being reached by the taxation of this Government as he should have been reached.

I am in agreement also with the agitation in favour of a land tax. We want the lands that are to-day undeveloped in western Canada developed and we can only have them developed by making the speculators who own them release them at a fair price and not hold them for a large advance. We can force them to release that land by imposing a tax on all undeveloped land.

We, from the West, come before this House frequently and advocate certain changes in the form of taxation. As a western representative I want to say that I do not want any taxation to be adopted by this country which is unfair to any other part of the country. In the minds of eastern men, on account of their association day in and day out with the industrial life of the East, there is the idea that the East would suffer if in any way industries were affected by a different form of taxation, or if there were greater freedom of trade, or a reduction in the tariff. But, they should get in touch with the conditions as they

exist in the West. Many members of this House, members of the Government I know, have visited western Canada in recent years but most of their visits have been to the large and populous centres of the West. How many of them have gone out and visited the farmers in their prairie homes? How many of them have come into actual touch with the conditions that the farmers have to face in western Canada? I am afraid that not one member of the Government knows the things that the farmers have to face. If the members of this House got into touch with the conditions that the farmers have to face there they would be more liberal in their views towards the claims that the western farmers are presenting here, through their press and through their organized bodies and more sympathetic with them.

We must adopt some policy that will relieve the burden of taxation upon the farmer especially where the farmer is taxed so heavily on his productive implements. We must do these things to increase production, to add to our immigration and to bring about contentment amongst the people of the West. You know, Mr. Speaker, I am quite sure, that the cheaper the articles of production are, and the cheaper the cost of living may be, the stronger is the appeal to people to come and settle in this country or any other country for that matter. We want to have conditions that will appeal to people to come from other lands and settle in western Canada and help to develop our as yet undeveloped resources. That is one reason, and a very strong reason, for the views which we have been presenting in this House from session to session. I find the sentiment growing in the east in favour of a change in the present method of taxation. I find a newspaper of the standing of the Financial Post calling attention to the fact that there is a great sentiment in favour of the lowering of the tariff and the raising of revenue by other means. I will read just a paragraph from a recent issue of that paper dealing with the Budget recently brought down by the Minister of Finance. The Financial Post says:

> On the other hand, the decision in favour of free wheat is an admission of the growing strength of the low tariff element, and that element must be recognized to a greater extent in the future than in the past.

That is not from the Grain Growers Guide, that is not from a western publication, but it is from a strong financial journal in eastern Canada which supports protection through and through. It says that the sentiment in favour of a low tariff is growing, it gives as an evidence of the strength of that sentiment the action of the Government in putting into effect free wheat and it says that the Government must pay attention to this particular agitation. Then it goes on to say

> This brings the country face to face with direct taxation as a practical solution of raising the heavy revenue which will be required in the future during the period of liquidation of the war debt. This would seem to suggest income tax. Sir Thomas White avoids it, but there is reason to believe that he—or his successor—will in the future employ it.

We must pay attention to the opinion which exists, and which is increasing not only in the East but in the West, that we will have to raise revenue by different means from those which we have employed in the past when this war is over. We will have great obligations to meet and we will have to meet them, but we cannot meet them by increasing the tariff because if we do we will have an absolutely prohibitive tariff. If we increase the tariff we will discourage production and immigration and Canada will be in a worse position in the future than it has been in the past. So, we must resort to other means. The present system of taxation as proposed by the Minister of Finance has its good points and it has its bad points, but it will only last for the period of the war. As I understand the position of the Minister of Finance, it is that he objects to bringing into effect an income tax because it will be difficult and costly to operate, but I am of the opinion that if he is in his position as Minister of Finance when the war is over he will have to adopt an income tax and he will have to adopt the principle of direct taxation. That will be necessary and we might as well face the fact at the present time. Let us abandon the policy of increasing the tariff because it is unfair. It is favouritism for the few, and it is a burden for the many. Let us adopt a tax that will compel the people of this country of moderate and large means to contribute their share to the cost of maintaining the Government of the country. It is my view and I believe it will be the view of this Parliament in a very short time, that we must come to direct taxation in order to meet our obligations. Those of us who have had experience of larger markets in western Canada know that they have been to our advantage. One thing I would like to see provided for by the Fin-

ance Minister is greater accessibility to the markets lying alongside of us. The Government has gone as far as to provide an entry for free wheat into that country, but we want that enlarged because we have found that when we have had an opportunity to enter that market in other cases it has been to the advantage of the western farmers.

It is not my intention to say more on this subject than to emphasize my belief as a western member that the changes in our method of taxation which I have suggested would not be injurious to any other part of the country. I want at all times to take that stand; I want to be a member of this House always standing for national unity. And remember this, that we in the West have been criticised in times past—it even has been insinuated that our people were disloyal, that they were advocating things not in the interest of Canada or in the interests of unity or of our attachment to the Empire. But no part of this country, from the Atlantic to the Pacific has done its duty as have the western provinces since the war commenced. Those who have gone to the front were the very men who were called disloyal in times past because they favoured some methods of taxation that were not considered to the advantage of interests throughout the length and breadth of this country. I say that, knowing what I say. There have been men who have come to this country from other lands, who have left Alberta and gone to the front, men who it was said owed allegiance to other lands rather than to Canada; but some of these men left Alberta with every one of the contingents, and some of them have given their lives for the Empire. They are true Canadians. There is just as strong a patriotic spirit in western Canada as in any other part. We have proved it during this war, and we will continue to prove it until the war is finished. I ask this House, I ask the men who represent constituencies east of the Great Lakes, to try and become acquainted with those conditions they will become more liberal in their views toward the demands of the people of western Canada. It is only by a policy of give and take in this Parliament and this country that we can expect unity to exist between East and West. It is only by a policy of give and take that this can be attained, and I am prepared to favour a policy of that kind in order to have unity, and at the same time to relieve what I believe to be some of the burdens of the people of the West.

Motion agreed to, and resolution read the second time.

SUPPLY.

PROPOSAL TO AMEND THE CUSTOMS TARIFF.

On the motion of Sir Thomas White that the House go into Committee of Supply:

Mr. OLIVER: Before you leave the Chair, Mr. Speaker, I desire to move formally the resolution placed in your hands.

Mr. SPEAKER: Mr. Oliver moves in amendment:—

That all the words after the word "that" be struck out and the following substituted therefore:

In the opinion of this House, it would be in the public interest if the Customs Tariff Act were so amended as to provide:

1. That wheat, wheat flour, and all other products of wheat be placed upon the free list.

2. That farm implements and machinery, farm tractors, mining, flour and saw-mill machinery, and repairs for same, rough and partly dressed lumber, illuminating, lubricating and fuel oils, cement and fertilizers be added to the free list.

3. That staple foods and food products (other than wheat flour), domestic animals and foods therefor, be admitted into Canada free of duty when coming from and being the product of any country admitting like Canadian articles into such country free of duty.

4. That substantial reductions be made in the general tariff on all articles imported into Canada, excepting luxuries.

5. That the British preference be increased to fifty per cent of the general tariff.

Sir THOMAS WHITE: Do I understand that my hon. friend does not intend to speak on this amendment?

Mr. OLIVER: No.

Sir THOMAS WHITE: In order to meet the wishes of the hon. member for Edmonton (Mr. Oliver), I thought it advisable that the remarks which I purposed making upon the second reading of the resolution should be made upon this amendment, which he now moves on going into Supply. My hon. friend, in the course of his remarks this afternoon, traversed a very wide field indeed. In many ways it was one of the most amazing speeches I have ever heard in this House. There is one thing for which I am really obliged to him, and
5 p.m. that is that he did not accuse the Government in general, and myself in particular, of having been the cause of this war. He certainly attributed to us most of the consequences that have flowed from the war, so far as Canada is concerned. My hon. friend, in the course of his remarks, dealt with the situation

existing in the West, and, as I understood him, he seriously suggested that the Board of Railway Commissioners, presided over by Sir Henry Drayton, was in conspiracy with wheat manipulators in Canada, or in Canada and the United States. I think that was the most amazing statement I ever heard in this House. My hon. friend did not make it in express terms, but undoubtedly that was the inference to be deduced from his remarks. I need not say that it is not my intention to answer any such argument on the part of my hon. friend from Edmonton; it requires no answer. Knowing the character of the Chairman of the Railway Commission of Canada, who was called upon last winter to meet the most trying conditions of traffic that have ever affected the Dominion, owing to the war and to the movement of munitions and supplies in Eastern Canada, the members of this House will not for one moment credit the statement of the member for Edmonton that the Board of Railway Commissioners were actuated by any other considerations than those of the public interest and the public welfare.

There is another matter to which both my hon. friend from Edmonton and the right hon. leader of the Opposition (Sir Wilfrid Laurier) have referred on more than one occasion. My hon. friend from Edmonton referred this afternoon to the fact that we have taken up rails on the Grand Trunk Pacific or National Transcontinental railway, that this Government has torn up the rails of these railways and has had the temerity to send them to France. Well, that is true. But why have we taken such action? We have taken it at the express request of the Imperial Government, who need those rails in order to carry on their operations at the front. I have never been more surprised with regard to any statement made in this House in the course of my experience within its walls, than to hear the leader of the Opposition and the member for Edmonton, by implication, blame this Government for tearing up 100, or 200, or 300 miles of rails on the Grand Trunk Pacific or the Canadian Northern railway to send them forward at the request of the Imperial Government in order that they may be laid behind the lines to bring up munitions needed at the front. I am amazed that any responsible member of this House should blame the Government in any way for the action taken at the express request of the Imperial Government.

[Sir Thomas White.]

Mr. OLIVER: The minister says "taken at the express request of the Imperial Government." Did the Imperial Government ask this Government to tear up the rails of the Transcontinental railway?

Sir THOMAS WHITE: The Imperial Government requested this Government to furnish 300 miles of rails.

Mr. OLIVER: Hear, hear.

Sir THOMAS WHITE: Without the slightest hesitation we said: We will find the rails.

Mr. OLIVER: Sure.

Sir THOMAS WHITE: How did we proceed to find them? We asked the Chairman of the Railway Commission to determine which rails should be taken up.

Mr. GERMAN: Is it not a fact that at least 200 miles of rails of the Hudson Bay railway at Port Nelson are not in use, and will not be in use for some considerable time?

Sir THOMAS WHITE: I am not sure as to that, but I imagine there would be great difficulty in getting these rails down, because the Hudson Bay railway is not completed.

Mr. PUGSLEY: You could get them down by water.

Sir THOMAS WHITE: My hon. friend knows the difficulties of navigation. The fact remains that responsible members of the opposition, including the right hon. leader of the opposition, criticised the Government for taking action asked for by the Imperial Government on account of high imperial necessities.

Mr. OLIVER: No.

Mr. MACDONALD: Not at all.

Sir THOMAS WHITE: How did the Government proceed? When the request came for rails, the Government did not hesitate for a moment. So far as I am concerned, I would take up half the rails of Canada if they were required at the front. We asked the Chairman of the Railway Commission, a judicial body commanding the implicit confidence of this House and of the Canadian people, to determine from what sections of Canadian railway lines the rails required could be taken. We have acted on their advice, and the rails have gone forward. These rails may be of sufficient importance to determine the issue of

battles, or even the destiny of the Empire. I am not in the slightest degree overemphasizing the importance of steel rails at the front; I defy any man to deny their importance. One thing that has been brought to the attention of this Government and of individual members of the Government who have been at the front is the supreme necessity for steel rails behind the lines, in order to send forward the munitions necessary to win battles under conditions of modern warfare and ultimately to end this war. I hope that we shall hear fewer complaints against the Government for taking the action that we took.

Mr. MACDONALD: Why did you not take rails from the Quebec and Saguenay railway?

Sir THOMAS WHITE: Mr. Speaker, I have the floor. I say, then, that we took this action at the request of the Imperial Government with a view to furnishing means of communication behind the lines. What other position could the Government have taken? Whom should we have asked to advise us as to the railway lines which could best spare rails?

Mr. OLIVER: The Canadian Pacific Railway have a double track along the north shore of Lake Superior which is not in use.

Sir THOMAS WHITE: I have no doubt that the Chairman of the Railway Commission is just as well aware of the lines along the north shore of Lake Superior as is my hon. friend. I have no doubt that the Commission took the whole position into consideration and that the conclusion they reached was actuated by only one motive, that of taking action with due regard to transportation conditions in Canada and to the high Imperial necessities to which I have referred.

My hon. friend seriously suggested this afternoon that the Government of Canada, or the Board of Railway Commissioners, were engaged in a conspiracy with manipulators in Winnipeg or Chicago for the purpose of preventing the farmers of the West from getting out their grain. Did any hon. gentleman in this House ever hear such a suggestion as that? He says that the farmers of the West got only $1.75 a bushel for their grain and that somebody got $70,000,000. What impression will the public obtain from that argument of my hon. friend? The impression will be created that the farmer had been paid only $1.75 a bushel for his grain; that somebody had bought that grain at $1.75, held it until the price reached $3 a bushel, and then sold it all at a profit of $70,000,000. But my hon. friend overlooks the infinite number of transactions that take place on exchanges, at Winnipeg, Minneapolis, Chicago. He suggests that by connivance on the part of the Government some individuals have stepped in and taken the difference between $1.75 and $3 a bushel for the grain. I appeal to the common sense of members of the House as to whether my hon. friend had the slightest vestige of reason or logical argument to support the contention which he put forward. The argument has only to be stated to be refuted.

My hon. friend this afternoon made the Government responsible for all the consequences of war. I opened my remarks by congratulating ourselves that the hon. gentleman had not so far—although I do not know what he will do to-morrow or next week—charged the Government with responsibility for the war itself. He may endeavour to transfer the blame from the Kaiser to this Government or to the Minister of Finance, who is humbly endeavouring to do his duty in this great crisis. My hon. friend referred to the fact that we had a revenue this year of $100,000,000 more than we had in 1915, and he said that was no subject of congratulation. Well, I think that it is a real subject of congratulation; it means that the credit of Canada has been maintained. My hon. friend overlooks the fact that of all the belligerent countries at war, with the single exception of the United States, the credit of Canada stands the highest. Would our credit stand as high as it does if our revenues were the same as they were in 1915? We have taken such measures since the war broke out as have increased our revenues to $232,000,000. We have paid all current expenditure, all capital expenditure, all increased interest charges, and all pension charges, and in addition have paid $60,000,000 on account of the principal of our war expenditures. My hon. friend says: You deserve no credit for that; there is no cause for congratulation in that fact. What, then, would call for congratulation? Upon what set of facts or conditions could congratulation be offered? I venture to say that any country of the world in which this financial statement was presented would say that Canada had done well. And they are saying in New York and in London that Canada has done well. The highest tribute has been paid to the financial methods employed by this country since the war broke out, which are recognized as being of a most scientific character. They are saying this in Canadian

financial circles and among the public generally; the only place where it is not being said is among hon. gentlemen opposite. I am content to take the judgment of London, of New York and of the financial and business community and the general public of Canada, even as against the criticism of the hon. member for Edmonton.

My hon. friend says that there are no evidences of development in cities, and he suggests that the Government does not realize that we are at war. What does my hon. friend expect of a country at war? Does he expect to see buildings going up, when the price of material is 50 or 60 per cent higher than it was in times of peace and when the prices paid for labour are as high as they are at present? Take the city of Toronto as an example: every house, so far as I know, is rented at a good rental. Not much building is going on, because the energies of the country are directed to the prosecution of the war—and this is true not only of Canada, but of the other allied nations as well. Is this Government to be held responsible because real estate booms are lacking in the cities of Toronto and Montreal—engaged, as we are now, in the greatest war in history? Is that a fair argument, I ask my hon. friend? He says that agriculture is not developing. He says: you had a certain acreage under cultivation in 1911, an increased acreage in 1912, a diminished increase in the acreage of 1913, and, at present, a diminished increase in the acreage under cultivation in the West.

What would you expect with a war on calling for the man power of the country, with 400,000 men in this country called to the colours? I want to say to the hon. member for Edmonton and to every other hon. member and to every man in the country that, notwithstanding everything that can be said, this Government and, in particular, the people of this country deserve the greatest possible credit for the mighty effort which they have put forth in this war. In Canada, over 400,000 men have enlisted. What would be the corresponding effort in the United States which has thirteen times our population? The corresponding effort on their part would be the enlistment of 5,000,000 men. We have raised those 400,000 men in a country geographically as large as Europe and with a population of 8,000,000 people of diverse nationalities. That has been the effort of the people of this country under the administration of this Government, and there is absolutely no room for national self-depreciation. I say that to all times it will be a matter of pride on the part of the people of this country that Canada, in the three years of this war, has put forth the mighty effort in men that she has put forth.

Mr. PUGSLEY: Why then, do gentlemen on the other side encourage people to say that Canada is in default?

Sir THOMAS WHITE: I say more than that; I say that what has been done in Canada since the outbreak of the war, financially, commercially and agriculturally has been nothing short of a miracle. Let us see what the condition was. Up to the time of the outbreak of war Canada had never floated a loan of more than £6,000,000, and that in London, and she could not at that time have floated a loan of $5,000,000 in Canada, and what have we accomplished? We first asked the people of this country for a loan of $50,000,000, and they offered us $100,000,000; we next asked them for a loan of $100,000,000, and they gave us $200,000,000, and last March we asked them for a loan of $150,000,000, and the response was over $250,000,000. What does that indicate? My hon. friend says that there is no development in Canada. He says: You have not made any advance financially, commercially or agriculturally. Could this country, not having advanced financially, commercially and agriculturally, have found the money for these loans? If my hon. friend had looked at the returns of the savings banks, he would have found that during this war this country has added at least three or four hundred million dollars to the savings of the people in our chartered banks. In addition to that, as I have said, we have floated those loans, and more than that, we have arranged through the Government and the banks of this country for a credit of some $250,000,000 to the Imperial Government for the purpose of furnishing munitions so urgently required at the front, and in that way our industries have helped to win this war. My hon. friend speaks of the crop in the West of 1911 and the crop of to-day. Does my hon. friend seriously put forward the view that the crop of 1911 was as valuable as the crop of this year, of last year or of the year before? My hon. friend has overlooked the fact of the value of the crop. I know that war conditions have brought about the high prices of wheat and other commodities, and I said so in my Budget speech, but I cannot understand why my hon. friend puts forward the view

that the Government is blamable in any way. If conditions, financial, commercial and agricultural, are not as they ought to be in this country in time of war, what would my hon. friend have them to be? Our people have increased their savings deposits in the banks; they have subscribed those loans to the amount of hundreds of millions of dollars, all sound finance, not carried by the banks, because the people have bought the securities which we issued to them. Our farmers to-day are enjoying prosperity, I believe, without parallel in this country. The western farmer is more prosperous than he has ever been. I was speaking not long ago to the general manager of one of the greatest banks in Canada, and he told me that of all parts of Canada in which the deposits had increased, the greatest increase was in Western Canada. I rejoice in that fact. My hon. friend spoke as if he had a monopoly of interest in the western farmer. I want to tell him that not only the western farmer, but the eastern farmer and the agriculturists generally throughout this country, are recognized by us to be at the very basis of the prosperity of this country, and this Government have shown more interest and have done more for the farmers of this country since we have come into power than the Government to which my hon. friend belonged did during the whole fifteen years they were in office. My hon. friend has the temerity, from his seat in the House this afternoon, to charge this Government practically with having erected internal storage elevators for the purpose of enabling the manipulators to fleece the western farmers. I have heard some extraordinary statements put forward in this House, but I rubbed my eyes this afternoon when my hon. friend made that statement. This Government established internal elevators at the points which my hon. friend mentioned for the purpose of serving the farming communities, and I believe they have served the purpose for which they were designed. But my hon. friend has said that some speculators have some grain in those elevators, and he suggests, although he did not say so, that the Government had erected them for the purpose of fleecing the western farmer, and, therefore, I suppose, he is objecting to the continuance of those western elevators. That is a most amazing statement put forward by my hon. friend. He has said: Your Budget shows Canadian trade to the extent of $2,000,000,000, but that is not real trade; you must remember there has been a great production of munitions and the prices of commodities of all kinds have gone up. That is so, and I so stated in my Budget speech.

Mr. PUGSLEY: Then it must be so.

Sir THOMAS WHITE: I will not say it must be so, but it is very strong evidence that it is so if I said it.

Mr. PUGSLEY: That is what I was attempting to emphasize.

Sir THOMAS WHITE: I am sorry I would not be able to pay quite the same testimony to my hon. friend.

Mr. PUGSLEY: I will not mind that.

Sir THOMAS WHITE: If I made that statement it is very strong prima facie evidence that it is true. My hon. friend said: You have nothing to congratulate yourself on the fact that you have a total trade of $2,000,000,000. Why not? Is it not real money? Before this war broke out the balance of trade against Canada was between two and three hundred million dollars a year. That whole situation has since been reversed, and in terms of money. The balance of trade to-day is in our favour to the extent of $400,000,000. The point I make is that if our exports are worth more money the people have that money. My hon. friend seems to hold the view that if the prices of commodities are higher than they were in normal times there is no advantage derived from that by the producer. But that, I believe, is not the case. Therefore, as I have stated, the argument of my hon. friend that the country is not to be congratulated upon its increased financial strength, upon its increased international trade and upon the increased value of its production generally, must fall to the ground. When this war broke out members of this Government, including myself, impressed upon the people of this country the necessity of production, more production and yet more production. That necessity has been continually drawn to the attention of the people of Canada, and I am happy to say that they have realized that necessity, and I think they would have realized it quite apart from the admonitions we gave them. But we did impress upon them the value of production, more production and again more production, and I believe it is by increasing production and by the exercise of national economy and national thrift that Canada, notwithstanding the war and the consequent increase in her national debt has been able to accomplish what I have mentioned to the House.

My hon. friend speaks of the tariff. He wants the tariff revised downwards. He has no belief in the tariff. He wishes to supply the revenues of this country by direct taxation. The inference from the remarks of my hon. friend from Edmonton and my hon. friend from Medicine Hat is that we could practically do away with the tariff and raise all the money that is required for the expenditure of this country by direct taxation.

Mr. OLIVER: I understood the minister to say that I and the hon. member for Medicine Hat had taken the position that there should be no tariff. I think the minister will find that that statement is not borne out by what I said.

Sir THOMAS WHITE: Possibly my hon. friend did not say that there should be no tariff, nor do I recollect that I said he said that. I said that my hon. friend has no belief in the tariff. He brings forward a resolution for the revision of the tariff downwards. But his utterances in this House to-day and for a long time past go to convince me that he would rather the revenues of this country were raised by direct taxation, and that we practically had no tariff at all. Let me say that no matter how desirable that might be to my hon. friend we need not seriously consider it, because we simply could not raise the money that is required for the purposes of the Gouvernment, unless we had the tariff. The tariff is the main-stay of the revenues of this country, and must continue to be so, so far as I can see for an indefinite time to come.

We were speaking yesterday about income taxation, and my hon. friend from Medicine Hat has referred to it again to-day. It is easy to say that we could raise large sums of money by income taxation. Last night I sent a telegram to Mr. Bradshaw, Commissioner of Finance for the City of Toronto, I asked him what was the income assessment in the city of Toronto and how much they derived from it last year. Now, the city of Toronto is the second city in Canada, and there would probably be more income there liable to assessment than in the rest of the province of Ontario, and possibly also in one or more of the western provinces. We must remember that income is subject to taxation by the municipality of the city of Toronto with an exemption, I think, of $1,000, to a municipal tax of 20 to 25 mills on the dollar which is a little over 2 per cent. The reply I got from Mr. Bradshaw was that Toronto's income assessment in 1916 was $19,500,000, and the amount of income tax raised was $440,000. I lay those figures before the House without comment. They seem to be very illuminating as to the possibilities of income taxation. I stated yesterday, and I repeat again to-day, that I think it very probable that the Dominion Government may have to resort to income taxation if this war goes on, and at the present moment there does not seem to be very much evidence of an early conclusion.

Mr. MARCIL: Will the income taxation displace any other taxation?

Sir THOMAS WHITE: I do not think it well to make announcements with respect to taxation so far in advance. I stated that if the war went on we should have to consider new modes of taxation, and that we might resort to the income tax.

My hon. friend has referred to the production of munitions, and he did not seem to think that the industry was of very much consequence to this country. I can tell him that from two standpoints the production of munitions is of the utmost consequence. In the first place the munitions business in Canada has reached dimensions that exceed, I believe, those of any other business on this continent, excepting possibly one or two of the largest American businesses and I do not know that I should except those. There are some 650 establishments in Canada making munitions. It was of the utmost importance to the Imperial Government that they were able to lay under requisition the industrial establishments of this country for the purpose of supplementing the British supply of munitions. The economic justification for the establishment and promotion of industries in this country has often been referred to. The industries which were of economic value in time of peace become real bulwarks of national security in time of war. All the industries of this country have been laid under requisition by the Imperial Government, and have been sending forward munitions on an increasing scale for the last two years. I think it is not too much to say that the supply of munitions which has gone from this country in an unending stream for the last two years has had much to do with the successful operations on the Somme, at Vimy Ridge and other points on the western front. So it was a great thing for this country from the standpoint of the prosecution of the war, that Canadian industrial plants were able to send forward in increasingly large quantities the munitions so urgently required at the front.

But apart from that, there is the economic value to Canada. Hundreds of thousands of people are engaged in the munitions business in this country; they are paid for their services, and in that way there has been a large distribution of money in Canada which has had a very considerable effect upon our economy. These munitions were needed; the British Government was willing to pay for them, and the business has been developed to the extent I have indicated. From an economic standpoint the industry has been of great benefit to the people of this country, but I consider that of secondary importance. The main thing is that we had the industrial plants to supply the shells and other munitions so urgently needed at the front.

My hon. friend seems to censure this Government; he has no word of praise for what the Government has done. I am indifferent whether we get praise or blame, so long as the work is done, but I will put forward for the consideration of the House that we have financed in large measure the expenditure which has made possible the manufacture of munitions in this country on such a large scale. The hon. member for Edmonton has said that we have no industries in process of expansion in Canada. Well, the country is engaged in war; the manpower of the country is being organized. In those circumstances, how can my hon. friend expect an expansion of business other than in industries connected directly or indirectly with the war? Was that a reasonable criticism of the Government? I submit not. My hon. friend says that we get too much from the tariff, and we are not taking enough from excess profits. Last night hon. gentlemen opposite censured the Government because the excess profits tax was too heavy. To-day, the hon. member for Edmonton says that the excess profits tax is much too light. Instead of raising $12,500,000 in 1915, and $20,000,000 in 1916, he would probably "guess," like my hon. friend from Dauphin, that we should raise $100,000,000 from excess profits. He had no figures to support his argument. He simply made the statement that we were not raising enough money from the excess profits. I would point out that this Government must not only raise revenue to meet its ordinary and capital expenditure, the interest upon its increasing debt, and the pensions, but we must have a large revenue in order to maintain our credit.

In 1916, we raised the tariff 7½ per cent and 5 per cent. It was stated at the time, and actually moved as an amendment in the Budget debate, that the House should put itself on record as declaring that the tax would not be productive. So productive has that tax been that I was able to say yesterday that the increase due to the war tax had been last year $38,000,000, and for the previous year $25,000,000. If ever there was a prophecy that was not fulfilled, it was the prediction of hon. gentlemen opposite in 1915 that we should realize no additional revenue by the increase in the tariff. To-day we find ourselves in the position, as to credit, as to financial standing and power, which I have indicated, and this is due largely to the fact that we met conditions as they arose from time to time, that we imposed the measure of taxation necessary in order to meet our coming requirements.

I would point out to my hon. friend from Edmonton (Mr. Oliver) that in the United States Congress to-day there is a measure to increase the tariff all around by ten per cent. I do not know what progress that measure has made. It was introduced, I believe, by the Ways and Means Committee, or at least it was the proposal put forward by the Ways and Means Committee for the raising of additional revenue for the United States to meet the requirements of the war.

The hon. member has asserted that this Government has increased the burden of taxation on the people of Canada. He puts that forward as a serious indictment of the Government. Of course, we have increased the burden of taxation on the people of Canada. Why? It certainly is not because we desire to increase the people's burden for the mere sake of doing so; it is the result of necessity arising out of the war. The measures we have taken have been such, I believe, as command themselves to the judgment of the people throughout the country.

The hon. member seems to think that the Government is not interested in the West. He spoke of the duty on agricultural implements. When I asked him, pointblank, why it was that when he was a member of the late Government he did not take the duty off agricultural implements, his answer was, "I don't know." I do not believe that is a sufficient answer. In the tariff of 1914, we reduced the duties on many of those implements in which the West is particularly interested—" harvesters, self-binders,

reapers and parts thereof," to quote the tariff item. The duty on these machines was cut down to 12½ per cent. During all the time when the Government of which the hon. member for Edmonton was a member was in power the duties on these implements had been 17½ per cent. And he thought he had worked wonders because under the reciprocity agreement the duty was fixed at 15 per cent. This Government, which the hon. gentleman says has no interest in the western farmer, fixed these duties, not at the 17½ per cent at which he was quite content to have it when in power, not at the 15 per cent fixed by the reciprocity agreement which he has never ceased to praise in this House, but at 12½ per cent. And when we raised the tariff two years ago the increase did not apply to these agricultural implements. I think I have proved that my hon. friend is not quite sincere in bringing forward this motion. If he indicts this Government for not dealing with the question of agricultural implements he must explain to his constituents why, when he was in power, he did not do what he now says this Government ought to do.

The hon. member spoke about the wheat. He said that the farmers in the West had sold out at $1.75 a bushel. When he was asked how much wheat the farmers had in store, either on their farms or in elevators, he said he did not know. He had taken no trouble to inquire. I believe, in fact I know, that it is incorrect to say that the farmers of the West sold out all their wheat at $1.75 a bushel.

Mr. OLIVER: I did not say they sold it all out at $1.75.

Sir THOMAS WHITE: If the hon. gentleman did not say so, at least he created that impression. He was asked how much the farmers had in store—

Mr. OLIVER: I said that nobody knows.

Sir THOMAS WHITE: But the hon. gentleman created the impression that the farmers of the West by reason of a conspiracy—which he practically alleged—between the railways, the Board of Railway Commissioners and the grain manipulators, were actually deprived of the difference between $1.75 a bushel and $3 a bushel. If he did not intend to create that impression he succeeded in doing that which he had not intended to do. That is the impression he created in this House, and I think it is the impression he intended to create. He left out of account the myriad transactions in wheat in Chicago, in Minneapolis, in Duluth. He said somebody made $70,000,000. Why, all interests throughout the world are concerned in the buying of that grain from the time it leaves the farm to the time it leaves the elevators. Yet he blames the Government by implication, because we did not stop that mysterious somebody from making that $70,000,000. Who have been the great buyers of this grain? The British Wheat Commission. The British Government. It was the buying of the British Government that was particularly the cause of what has been called the corner in wheat.

Mr. OLIVER: Oh, no.

Sir THOMAS WHITE: I know it.

Mr. OLIVER: It was the selling by men who had not the wheat.

Sir THOMAS WHITE: The hon. gentleman is wrong. The British Wheat Commission bought in perfect good faith and with no intention of creating a corner—

Mr. OLIVER: Certainly.

Sir THOMAS WHITE: The men who bought wheat in the ordinary course sold in the ordinary course, by what is known as "hedging."

Mr. OLIVER: They sold wheat that they did not have and could not get.

Sir THOMAS WHITE: But the hon. gentleman knows that in the course of business that is done.

Mr. OLIVER: That is what they did.

Sir THOMAS WHITE: They bought the grain and they were obliged to "hedge"—that is, they were obliged to sell. They sold in the ordinary course that is pursued in this country, in the United States, and, so far as I know, in every other country. They sold expecting that if the contract grades could not be supplied, they would be allowed to substitute grades at millable value. But the British Government, for reasons that I have already referred to, wanted the grades 1, 2 and 3, and not the lower grades.

Mr. OLIVER: Anybody who buys as the British Commission bought expects to buy nothing but contract grades.

Sir THOMAS WHITE: I understand. But these men sold, as I have stated, in good faith.

Mr. OLIVER: They had no right to sell anything but contract grades.

Sir THOMAS WHITE: Let me show my hon. friend that he is quite wrong. When

this corner was formed—due, as I have said, to the buying by the British Wheat Commission in perfect good faith and in such immense quantities that the ordinary laws, so to say, went by the board—and wheat attained the price it did two or three weeks ago, we took the matter up at once with the British Wheat Commission. I cabled Sir George Perley asking him to take the matter up with the British Wheat Commission. I took it up with the representative of the British Wheat Commission at Washington. I know what I am talking about. Just as soon as it was determined that they would accept the lower grade in lieu of contract grades, which they were entitled to demand, the corner came to an end.

Mr. OLIVER: And the Government arranged to let the wheat speculator out.

Sir THOMAS WHITE: Now, my hon. friend puts that forward seriously in this House. Here were the British Wheat Commission buying millions and tens of millions of bushels of wheat for the sustenance of the people of the United Kingdom. As a result of that buying, and as a result of innumerable contracts made on the Winnipeg exchange, and in Minneapolis and Chicago, wheat goes to a certain price and yet my hon. friend says that the Government, or the Railway Commission, and the railways are in a conspiracy against the farmers of the West. If that is not an absolute reductio ad absurdum I do not know what it is.

Mr. PUGSLEY: Under the circumstances, seeing that a corner had been created, did this Government take any steps under the War Measures Act to control the price?

Sir THOMAS WHITE: My hon. friend puts forward his usual insidious question. My hon. friend has a lot to learn about wheat if he does not know the dependence there is between wheat on the Winnipeg Exchange, wheat on the Chicago Exchange and wheat on the Minneapolis Exchange.

Mr. PUGSLEY: I know very well that this Government have the power, and that they had the power then, to control the price of wheat and keep it within reasonable limits.

Sir THOMAS WHITE: My hon. friend puts that forward and if the Government had done it my hon. friend would have come forward and suggested some other line of action, so that we are perhaps as far ahead in any event. The Government took the only action it could take in respect to the situation. The Government cannot control the world prices of wheat. My hon. friend knows that.

Mr. PUGSLEY: But it could control the Canadian price.

Sir THOMAS WHITE: The Government of the United States could not control the world price of wheat.

Mr. PUGSLEY: They could control the price in their own country.

Sir THOMAS WHITE: They cannot even do that. The only possibility of controlling the minimum or maximum price—and the subject is full of difficulties—would be by joint action on the part of the two governments. That is recognized in the United States just as it is here. We might as well talk sense about this.

Mr. PUGSLEY: Will my hon. friend not get angry if I ask him another question?

Sir THOMAS WHITE: Could any one get angry with the hon. gentleman?

Mr. PUGSLEY: If the Canadian Government could not control the price of wheat in Canada, how is it possible for Canada and the United States to control the price of wheat in these two countries when we know that wheat is produced largely in Argentine and other countries of the world?

Sir THOMAS WHITE: If my hon. friend had an open mind I would have no difficulty in answering his question but he has a mens clausa, a closed mind, I am afraid that I cannot give the hon. gentleman the answer that he wants. However, I shall try to reply to my hon. friend. My hon. friend knows the close connection geographically between this country and the United States and the tonnage situation on the Atlantic which affects Argentina, Australia, New Zealand and all other sources of supply.

Now, I come to this amendment. The amendment suggests a revision of the Customs tariff. My hon. friend (Mr. Oliver) acquiesces in that and he says: I want a revision now and I want a revision downward. If there ever was a time in the history of Canada when it was unwise to revise the tariff, it is this present moment. What is the condition? The condition, Mr. Speaker, is that owing to the unsettled values of goods in all foreign countries, it would be absolutely impossible to prepare a customs tariff that would meet the situation at the present time and for a period

after the war. A proper revision of the tariff to-day would be an impossible performance, and would lead to the most profound dislocation of business in this country at a time when the last thing we want to see is the dislocation of business. Yet, my hon. friend from Edmonton seriously suggests that this Government, in the midst of this war, should revise the tariff. The wholesale values of two hundred commodities in the United States have increased by 55 per cent up to March, 1917, in comparison with the prices in July, 1914. I pointed out that the present Customs tariff is producing a very large revenue. That revenue is needed and it is going to be needed in increasing amount until the war is over. We shall have to face, as the United States had, the problems arising out of the war, an enormous increase in the national debt, interest charges and pension outlays and my hon. friend suggests that you can practically put the tariff out of consideration in dealing with these questions. How did the United States meet the situation, and no country ever recovered from a great war so successfully as the United States. How did the United States put herself upon a gold basis after the war? A dollar in 1863 was worth only about 40 cents in gold. How did the United States bring her dollar to parity, how did the United States not only meet the interest upon her great national debt but pay off that debt in a few years? She did it by the tariff. This country cannot dispense with the tariff at this time. I do not say that the tariff is perfect. I do not say that at the proper time the tariff should not be revised, but I do say that it is idle to suggest that you can get on without a tariff. At this time it would be unwise in the extreme to revise the tariff.

If it is unwise to revise the tariff, we need not seriously consider the question of revising the tariff downwards. The tariff was increased in 1915 by 7½ per cent and 5 per cent. In the course of time, I should imagine when the war is about over, it will be necessary to revise the tariff. I do not say it should be revised upwards, I do not say it should be revised downwards, but I say it should be revised having regard to the conditions that exist at the time of its revision. If a tariff revision takes place it will have to be necessarily in the light of the situation which exists as between the Allies in this war. There may be trade conventions; there undoubtedly will be treaties between the Allies. That is the general opinion and, if so, why should we revise our tariff now when the war is moving, we hope, towards its close, and when the situation that I have indicated will confront us at the conclusion of the war? What we should do is to maintain our tariff because it gives the revenues which are necessary for the purposes of the country and the prosecution of the war. At the proper time, on the conclusion of the war, and having regard to the situation which then exists, including the international situation between the Allies, be proper for us to revise the tariff. We shall know the labour and the industrial situation and the fiscal measures we take will be such as are in the public interest. I shall not discuss the question of placing wheat, flour, and wheat products on the free list. That has been done as to—

Mr. PUGSLEY: Oh, no, products such as bran, shorts and middlings are not free.

Sir THOMAS WHITE: No, but wheat and flour.

My hon. friend's amendment reads that:

> Wheat, wheat flour, and all other products of wheat be placed on the free list.

Wheat, wheat flour and semolina have been placed on the free list.

Mr. PUGSLEY: Your order does not place bran, shorts and so on, on the free list.

Sir THOMAS WHITE: I understand that is to be covered by another amendment. I think the hon. member for Huntingdon (Mr. Robb) brought that up, and I shall not have to discuss it now.

Mr. CARVELL: That was ruled out of order.

Sir THOMAS WHITE: Will it come up again?

Mr. CARVELL: It may.

Sir THOMAS WHITE: Then I shall leave it until it comes up.

Mr. PUGSLEY: The minister says he is going to concede what Mr. Robb asked for.

Sir THOMAS WHITE: No, my hon. friend (Mr. Oliver) has gone further; he has taken a very far-reaching list of important commodities and articles which are subject to customs taxation, and he proposes to place them all upon the free list. As I said, this is not the time to revise the tariff. That being so, it is not necessary for me to discuss the particular amendments

which my hon. friend brings forward with respect to the articles covered by the tariff.

My hon. friend has referred also to the British preference. Well, it is not expedient to deal with the tariff at the present time or with the British preference; but, when the war is over, when this question of preference, about which the Prime Minister spoke the other day, and which has been under consideration by the Imperial War Cabinet, is before the Government, and when we know the industrial situation that confronts us and the world, and when we have before us the agreements made between the Allies, we can deal with this and all other questions in such fashion as the interests of Canada and the Empire may require.

At six o'clock the House took recess.

After Recess.

The House resumed at 8 o'clock.

Mr. F. B. CARVELL (Carleton, N.B.): Mr. Speaker, I crave the indulgence of the House for a short time this evening to discuss what I consider to be one of the most important resolutions that has been proposed to the House in recent years. My hon. friend the Minister of Finance will not feel that I am discourteous if I do not follow him through all the by-paths and by-ways that he trod this afternoon, because, for some unexplainable reason, he took occasion to deliver to-day the same speech that he has repeated four or five times during the last three weeks. Possibly he felt sufficient justification for the performance; I hope that he is satisfied with the results. Before I enter upon a discussion of the real question involved in the amendment, however, I desire to refer very shortly to a few of the more outstanding statements made by the Minister of Finance.

When the history of this country is written, one thing that my hon. friend will not be charged with is a lack of due appreciation of his own services and of the services of his party. Outside of winning the war, I do not know of anything for which the hon. gentleman did not take credit this afternoon in a speech of one hour's duration. The Minister of Finance even went so far as to say that the successes in the battles of the Somme and Vimy Ridge were contributed to very largely by the immediate action taken by the Government in the matter of furnishing rails. One can almost say, therefore, that the hon. gentleman is taking credit for the winning of the war, as well as for almost everything else in the world. He said that the Government deserved very great credit for the mighty efforts that they had put forth towards the winning of the war. Mighty efforts? Well, he and his Government have done a great many things since the war started. I assume that my hon. friend is willing to take credit for everything that has been done, but for some of those things he is not entitled to a great deal of credit. Let me refer to a few of the things that he has done and for which he takes to himself so much credit.

The minister says that the Government have placed the finances of Canada in a better position than those of any other country in the world except the United States. He glories in the assertion, which he has made a great many times during the last three weeks, that when the Government wanted money from the Canadian people they were able to get it. When they wanted $50,000,000 they were offered $100,000,000; when they wanted $100,000,000 they were offered $200,000,000; when they wanted $150,000,000 they were offered $260,000,000. He said that he did not believe $5,000,000 could have been raised by loan in Canada before the war. But he did not tell us that no other Canadian Government had ever tried to raise an internal loan. He did not tell us that during the years from 1867 to 1915 the successive Governments of Canada deliberately and persistently went outside the borders of our country in order to raise money. This matter was discussed when my hon. friend's predecessor held office, as well as since the present Government came into power. I myself have more than once asked why the Government did not attempt to raise money by internal loan, and the answer was always the same: in a young country like Canada it was better to borrow money from outside than to tie up money of our own which was needed for the country's development. Accordingly, up to the year 1915 the Government never offered more than three per cent for money obtained in Canada; yet under the system of paying three per cent interest on savings bank deposits, hundreds of millions of dollars were deposited to the credit of the Government. But one of the most gigantic efforts for which the Minister of Finance takes credit is the raising of money in Canada. And how was this wonderful feat accomplished? By raising the interest rate from three per cent to five per cent and then selling bonds cheap enough to give

the broker a small commision on the sale of bonds. Nobody but a real wizard of finance could do that. Does the minister realize that hundreds of millions of dollars were lying around this country before he took charge of the Finance Department? Does he realize that nearly $100,000,000 were deposited in the Dominion Savings Bank, and much more than $200,000,000 or $300,000,000 in the chartered banks at three per cent interest? Does he realize that hundreds of millions of dollars, earning no interest at all, were in the chartered banks, and that there were in Canada securities to the value of hundreds of millions of dollars bearing only 3, 3¼ or 4 per cent interest? Does he realize that the moment he raised the rate of interest to 5 per cent every woman who had money in a savings bank, every investor who had money lying round for which he was not receiving 5 per cent interest, came to the conclusion that by placing their money with the Government at 5 per cent, backed by the security of the Government, they would be making a pretty good trade? The minister admitted that one night last week when he said that a variation of one-tenth of a point would have defeated his purpose. He admitted that the money was obtained not by his financing but by his offering an increased rate of interest and a method of investment which caused the people to come forward with their money. Yet he says that the Government is entitled to the very greatest credit for the raising of $300,000,000 through internal loans under these conditions.

My hon. friend (Sir Thomas White) says, also, that the Government deserve an enormous amount of credit because they attracted such large sums of money into the country in connection with the manufacture of munitions. Well, the Government are welcome to all the credit they can get for the money that has come in for the manufacture of munitions. The late Minister of Militia takes all the credit for that to himself, but I happen to know something about this matter; I spent some time trying to find out about it. The Government so mismanaged the thing that the British authorities said: if you cannot manufacture these munitions at reasonable prices you shall not be permitted to manufacture at all. So they had to take the matter out of the hands of the Government, and put it into the hands of a board constituted by themselves. The British Government have spent, perhaps, a billion dollars in Canada since the outbreak of war for the purchase of munitions, but I do not see how the Government can take any credit for that. The allied armies were suffering from a lack of munitions of war more than anything else; they had to have them; they paid two prices for every dollar's worth of munitions they got from Canada, except, perhaps, for the munitions which they have obtained during the last six months or year. Many people in Canada are hiding their heads in shame because they had the nerve to charge the British and allied Governments the prices that they did. They charged such prices that the British Government were compelled, as I say, to send their representatives here and take the business out of their hands. Yet, hon. gentlemen opposite claim to be entitled to all credit for the manufacture of munitions in Canada.

My hon. friend says, further, that the tariff should not be revised during a period of war. But it did not bother my hon. friend to revise the tariff in 1914, when he added a few million dollars to the taxes.

Mr. MICHAEL CLARK: That was upward.

Mr. CARVELL: Yes, but he revised it just the same. It did not bother him in 1915, when he raised the tariff 7½ per cent and 5 per cent. It did not bother him a year ago, when his colleague the Minister of Agriculture, wanting a better price for his apples, put 75 cents duty on each barrel of apples coming into Canada, making the farmer of the West pay that much more for his apples than he had ever paid before. It is a simple matter for my hon. friend to revise the tariff upwards, but when he is asked to revise the tariff downwards and relieve the almost impossible burden upon the poor man who is trying to make a living he says that it is impossible to do it until the war is over.

The minister says that we have raised $60,000,000 or thereabouts by way of special taxes. It is a very simple matter to raise $60,000,000 in special taxes when you add 7½ and 5 per cent duty to the price of everything that the people bring into the country.

It is not only five and seven and a half per cent duty that you add. When you consider that the articles which are being brought in to this country are not very much greater in volume than they were before the war, but that they are in some cases twice the value and in some cases even three times the value, and when to the tariff as it was before the war, you add 5 per cent in one case and 7½ per cent in the other on a value in dollars two or three times as great as it was before, you are not doing

a wonderful feat of financing in order to get additional revenue out of the people of Canada. I do not think the Minister of Finance is entitled to as much credit for raising this money as he thinks he is; but, of course, I know he has a right to his own opinion. I want, however, to point out some of the ways in which I feel he would be benefitting the people of this country if he were to adopt this amendment in his method of raising a revenue.

The Minister of Finance told the House the wonderful things the Government had done in stimulating production, but he failed to tell us the manner in which they had endeavoured to stimulate production. He said that they were constantly preaching production and more production. What have they done? Have they done anything towards producing more grain, more food, more cattle? The only thing I know which they have ever done was done within the last two months, when they put wheat on the free list, but up to the present time there has not been very much result so far as increased production is concerned. We hope, however, that measure will have, in this coming year and in later years, the effect of stimulating the production of wheat, and so far as that is concerned, we are willing to give the minister full credit for what he has done. That, however, is a matter which, properly, I think should have been discussed upon the Budget and which was discussed upon the Budget by my hon. friend and by many other members of the House; and as I said at the beginning of my remarks, I am not going to take up time discussing matters which should have been discussed on the Budget, but I am going to confine my remarks to the resolutions and the amendment before the House.

In asking the House to adopt this amendment we are raising a very vital question in Canada; we are raising a question of principle, which I am sorry to say has not been discussed in this House during the last fifteen years as much as it should have been. It is a question of principle that has been forgotten in Canada for a good many years and that should be revived now on account of the war, if for no other reason. My hon. friend says: You cannot revise a tariff during the war; you have to have more money and you must raise it by means of a tariff. There never has been a time in the history of Canada when you can revise the tariff downward as well as you can to-day. There has never been a time when you can discuss the question of the tariff with the people of Canada as well as you can to-day. Down to the beginning of the war things had been going fairly well; the people were fairly prosperous; we did not have to raise very much money; our taxes were low; we did not know as much as the people of other countries do about raising money; and when you discussed the question of direct taxation, there is no doubt that a great outcry would be raised against it, but the people have learned that you cannot raise a very large revenue by means of a tariff, notwithstanding that my hon. friend says that a tariff must, for many years, be the great means by which revenue shall be raised. He himself has adopted a policy of raising money in other ways than by a tariff. Supposing any Minister of Finance had before the war attempted to raise money by a business tax, as my hon. friend is doing now, one can quite understand what an outcry there would have been against it. My hon. friend, however, is raising money by means of a business tax, and the only criticism I have heard in regard to it is that he is not raising enough by it. For the last month we have been persistently telling the Minister of Finance that he must raise money by means of an income tax, and he has been, until this afternoon, persistently telling us that he cannot do it. Now he says: I am wrong. I think I can raise money by means of an income tax, and I guess I shall have to do so. That shows that even a hide-bound tariff politician like the Minister of Finance has lucid intervals, and if you im press truths upon him long enough and persistently enough, even he comes to his senses and has to admit that these matters are not so entirely theoretical as he would try to lead the House to believe. This afternoon he said: Yes, we shall have to impose an income tax, I am fraid, but it will not produce anything, because I sent a telegram to the controller at Toronto and that gentleman replied: "We collected only half a million dollars or a little less of an income tax last year." My hon. friend certainly, looks upon the members of this House as being very unsophisticated in the methods of taxation for municipal purposes in Canada. He speaks about collecting only half a million dollars from an income tax in the city of Toronto. I do not suppose that one-half or one-third of the incomes in the city of Toronto that are above $1,000 are taxed at all. If they are, Toronto is different from any other city or town in Canada

that I know of. In my own province of New Brunswick we have an income tax for municipal purposes, and in that province there is not a man but, when he looks at the item of income tax on his tax bill, simply laughs in his sleeve to think of the small amount of income upon which he is assessed, and what is true of my province is true of the province of Ontario. The minister also admits that the tax only amounts to 2 per cent. A man with an income of $50,000 is assessed as having an income of $2,000, and then he is charged 2 per cent on $2,000 or a tax of the paltry sum of say $40. My hon. friend knows that if he went after the big incomes of this country as is done in Great Britain, France, and many other countries, he would be taxing the rich man, not 2 per cent of his income, but from 30 to 40 per cent of his income, and he knows that in Great Britain there are people who are paying as high as 40 per cent of their incomes. Let my hon. friend adopt a system of a graduated income tax as has been done in other civilized countries, and let him take the matter up in a big way and he will collect, not half a million dollars from Toronto, but three or four million dollars, and he will collect proportionate amounts from every other city and town throughout the Dominion. My hon. friend might just as well come down the whole way on this question of income tax and admit to himself and to the country that an income tax is coming; that it is a proper method of raising a revenue, and that it is not a serious matter at all, because it is not a novelty; it is not something that has not been worked out. It has been worked out to perfection in many countries in the world, and all that my hon. friend has to do is to adopt that method which in his judgment best applies to the condition of affairs in Canada and to apply it. If he does that, he will get money just as easily and much more fairly than he is doing by raising the duty 7½ per cent on the poor man who can barely make both ends meet and at the same time buy sufficient food and clothing for his family.

There is, however, another side to this question which, in my judgment, the Minister of Finance fails to consider, and which I think, my hon. friends opposite fail to consider when they are discussing this question of tariff. They say: Oh, but if you reduce the tariff, you will not have any revenue; you have to have a revenue in order to carry on this war, and the only way to secure that revenue is to keep up the tariff. I want to tell my hon. friend, in the first place, that that has not been the history of Canada, nor of any other country in the world. We know that in 1897 when the British preference was introduced in this country, which meant an enormous reduction in the tariff, the tariff revenue did not decrease, but went up by leaps and bounds at the rate of $10,000,000 a year. It is all very simple. The moment you take the duty off any article—I do not ask that everything be put on the free list, but I say reduce the duty—the moment you reduce the duty on an article of ordinary consumption, that moment you make it cheaper, and you put the average consumer in a better position to purchase. If he purchases more, then more goods come into the country, and more revenue comes into the coffers of the Government; that is a general principle which I do not think anybody will dispute.

But there is another side to it. My hon. friend fails to tell the House, though he knows it as well as any man in Canada, that our tariff with the 7½ per cent added to it, is in many cases so high that it absolutely prohibits the importation of the necessities of life; that is the difficulty. Instead of getting revenue you get none at all, because the duty is prohibitive, and at the same time you are increasing the burdens of the people by—100 per cent I was going to say, and I believe in many cases it amounts to that. You get no revenue, and you increase the cost to the consumer, because you have built up the tariff wall to such an extent that the consumer cannot import, and is compelled to buy from the local producer at a price which is just a cent or two below the imported article. I think perhaps the most glaring instance of that in the whole of our trade returns is the item of cement. I was amazed in looking over the trade returns for the year ending March 31, 1916, to see the figures for this item. I was not able to get the returns beyond that date, and therefore any figures I may quote this evening will have reference to the fiscal year ending March 31, 1916. According to the trade returns, we neither bought nor sold cement with the rest of the world; we simply lived within ourselves. Hon. gentlemen opposite said in 1911, "Let us trade within ourselves; do not let us go beyond our own borders; do not tear down the flag; do not become disloyal by trading outside

this country, but let us just live within ourselves, and keep this little circle going," and, if ever there was an item where this idea was worked out to perfection it was in the case of our trade in cement last year, because the whole of Canada imported only $45,000 worth of cement, and we exported only $5,000 worth. We paid in duty the immense sum of $11,227 and if you add the 7½ per cent you have $2,000 more. Altogether we paid about $14,000 duty on cement. I do not know how many million dollars worth of cement is produced in Canada annually, but I do know that it would be a very great amount. I am very much of the opinion that it must be $20,000,000 or $30,000,000 worth; that is only an estimate, but the figure must be very, very large. But no matter whether it is $10,000,000 or $20,000,000 or $30,000,000 we are paying the manufacturers of cement in Canada practically 60 cents a barrel more than we should have to pay if we could import cement duty free. If the duty were taken off, the country would lose practically no revenue, but the consumer would be able to buy cement for 60 cents a barrel less. I think that is perhaps the most glaring case in the trade returns, but there is another case nearly as bad. It is an article which every man and every woman in this country consumes, and the poorer the man the more he consumes of it. I refer to canned vegetables. Perhaps there is no item of food in the Dominion to-day that plays a bigger part in the homes of the poor people than the two canned vegetables which are bracketed together in the trade returns, tomatoes and cooked corn. You would hardly believe it, Sir, but last year we received in duty on these two great articles in the diet of the common people the sum of $6,454 only; in addition to that straight duty, there would be the war tax of 7½ per cent, provided the goods came from any country outside the British Empire, which I presume they did. In this case again, the tariff is so high that we cannot import canned goods into this country. We simply have to pay the canners' combine the price which they ask, and that price is just a fraction of a cent below what the goods cost in any other country plus the duty. The poor man is accordingly compelled to pay to these people, I do not know how many hundreds of thousands or millions of dollars more than he would have to pay if these goods were on the free list, and if they were on the free list the revenue of Canada would only suffer to the extent of $6,454.

The next item is pretty nearly as important, but perhaps not so glaring as the two items of cement and canned goods. I come next to boots and shoes. Why, Sir, you cannot buy a pair of shoes in Canada to-day for your baby at less than $2 or $3 a pair, or for your child at less than $5 or $6, and you cannot buy a pair for yourself at less than $8 or $10. I realize that this is due in some measure to the increased cost of labour and production and to war prices; I want to be fair in arguing this question, for if a man is not fair in logic his argument amounts to nothing. We pay 37½ per cent protection on the boots and shoes we buy in Canada. The duty is so great that only a mere bagatelle of the boots and shoes we use in Canada are purchased from outside. I do not know exactly what the consumption would be, but there are about 7,500,000 people in this country, and I think about $5 a head is a very low estimate for boots and shoes; in fact, I think that is away below the actual figure. But at $5 a head, we are paying $40,000,000 a year for boots and shoes, and yet, according to the trade returns, we imported only $2,120,000 worth, and these would all be shoes of the higher grade, slippers and things of that kind from England, although a large quantity come from the United States. But 90 per cent of the boots and shoes used in Canada are made at home. Under our tariff we are compelled to pay 37½ per cent to the manufacturer of these boots and shoes, and last year we only received in revenue $775,000, including the 7½ per cent. Just think of it! Only three-quarters of a million dollars of revenue on a consumption of $40,000,000 to $50,000,000 worth of boots and shoes! Yet hon. gentlemen opposite tell us that we have to have this tariff to raise money to carry on the war. The Minister of Finance knows these things as well as I do. He knows all about these glaring inconsistencies, and how the poor man is being mulcted to make the rich man richer and to multiply our millionaires, but in discussing the tariff he very conveniently conceals these facts from the public. I could give illustration after illustration of the same thing.

Last year we imported $19,664,000 worth of woollen goods—practically twenty millions of dollars' worth. The duties paid on those goods ran up in some cases to 40

and even 42 per cent, and this on goods which the poor man must buy to clothe his family in this rigorous climate; without these goods, people can hardly live in Canada. And this is done in order to keep a few one-horse factories going in Canada. It would be better to close up every woollen mill in the country than to tax the people at this enormous rate for goods without which they cannot get along. But I do not want to close up any factory; it is not necessary. I would not advocate the placing on the free list of any article if I believed that by so doing we should close up an industry in Canada; but I would not allow any industry to exist, producing goods of vital necessity to the poor people of this country, if it were necessary to its existence to compel the people to pay a fine to the manufacturer of 40 to 45 per cent. If a woollen factory in Canada cannot get along with a protection of 15 to 20 per cent, I do not think that factory is very much good to this country. The only good reason for the Minister of Finance maintaining such a condition of affairs is the need of revenue. I admit that by the duty on woollen goods we raise a large revenue—last year it amounted to practically $6,500,000. I realize that if you reduced the duty to one-half or one-third of what it is to-day, you might not get so large an amount, but you would import more woollen goods. We have reached a point where woollen goods are practically out of the reach of ordinary people, they simply have not the money to buy them. But put those goods at reasonable prices and you will find that many people will buy them who cannot buy them to-day. I have strong reason to believe that if you had only one-third of the duty that you have to-day you would get nearly as much revenue as you do under the present rate of duty. There would not be so many woollen factories that would have to water their stock in order to cover up their earnings. Nor would these watered securities be selling at the price they are to-day. But that would only make the millionaires a little less millionaires than they are now, while it would be a wonderful benefit to the consumers of this country.

There is another side to this whole nefarious transaction, and it is being emphasized in the conduct of this war more than it has ever been emphasized before. It brings us back to the item of cement, one of the most glaring instances of all. It is well known that there are securities of the Canada Cement Company in the form of bonds. These are all right; they represent actual money on which interest should be paid. Then, there is a certain amount of preferred stock. This is in the doubtful class. But give it the benefit of the doubt; say that it represents cash—though I am very much of opinion that there is a good deal of water in it—and that dividends should be paid on it. Then you have $13,000,000 of absolute water in the form of common stock, which did not cost the promoters of the Canada Cement Company one dime. Up to the time of the war this stock was practically worthless. There was a little professional trading in it at around 21 and 22, but very little of the stock was filtering out on the market. The Canada Cement Company got a contract for manufacturing munitions; they got it under peculiar circumstances, circumstances which ought to make every member of the Government and every supporter of the Government hang his head in shame. The company wanted to manufacture a certain form of shell at $55. The powers that be said: we can't do that, but if you will take $68, we will give you a contract. The Cement Company said they did not want it at that, that they could manufacture the shell at profit at $55, and they wanted the contract at that figure. They had to take that to the Prime Minister of this Dominion and the representatives of the British Munitions Board in Canada, and, after putting up a fight for some weeks, they finally succeeded in compelling the powers that be to give them a contract at $55. And they have made so much money that the common stock is selling at 59 and 60; it has even been above that—I have not looked at the quotations for the last day or two. Large quantities of that stock are being sent broadcast over the country. It gets into the hands of men and women who have money to invest, and the company is earning so much money that it is beginning to pay dividends upon that watered stock. But wait until the war is over; wait until you want to reduce the price of cement; wait until you wish to take the duty off cement, when things are not in the flourishing condition they are in to-day, and see what the owners of this watered stock will say. They will say: We paid good cold cash for our stock, and if you take the duty off cement you are going to reduce the price of that stock to such an extent that we cannot pay dividends. In other words, you will be wiping out money which these people have paid in good faith, which they paid not knowing the conditions, which they paid

because of the fact that the Parliament of Canada is keeping a duty of sixty cents a barrel on cement. I cannot conceive of a greater crime to be perpetrated on the investing public of any country than to continue a condition of affairs such as I have described. And you have the same principle in boots and shoes. You have $3,000,000 or $4,000,000 of absolutely watered stock in Ames, Holden & McCready. That stock, before the war, was not worth two cents; you could not give it away; no man would pay for it what it would cost to transfer it in the books of the company. But this concern has contracts with the Government to furnish shoes by the million dollars' worth, and to-day this watered stock is filtering out to the ordinary investor at 15 and 16 cents a share. There is not very much going out yet, but it is going out, and if the present condition of affairs continues very much longer you will find a million dollars' worth of this stock scattered broadcast over the country. Then, when the time comes when you wish to take the duty off boots and shoes, the holders of that stock will say that you are making worthless a stock for which they paid money in good faith. So you are providing in advance a strong argument in favour of maintaining the duty on boots and shoes. If ever there was a time when these things should be grappled with firmly to-night is that time. There never was a time when you could introduce a system of direct taxation as easily as you can to-day. There never was a time when the industries of Canada were as flourishing or were making as much money as they are to-day; there never was a time when as much watered stock was being scattered broadcast over Canada as to-day, and there never was a time when it was more fitting that Parliament should take this matter in hand and make it impossible for these companies to sell for good money that which represents nothing to them in the way of money, that which is merely watered stock.

There is another very far-reaching principle involved in this amendment, one that has been discussed to a great extent in this House during the last three or four weeks, one on which the hon. gentlemen opposite have turned more political somersaults than in all their experience since the inception of the National Policy. I refer to their action in regard to wheat and flour. It is not a year ago—why, it is not two months ago—that the Solicitor General (Mr. Meighen) stated that the agitation for free wheat was nine-tenths political and one-tenth bad economics. And he even says that now. I want to ask him, or to ask the Minister of Finance (Sir Thomas White) why it was that, believing this statement of the hon. gentleman, they accepted the principle of free wheat. They told us that the adoption of free wheat was going to tear down the Union Jack from every flag-pole in Canada and raise the Stars and Stripes in its place; that it was going to convert our railways into streaks of rust; that it was going to drive the trade of Canada to run north and south instead of east and west. If they were right in their contention, or even if they believed what they said—and what the Solicitor General says even now—what are we to think of men who will make such a volte face as that which they have made, and without any reason for it?

But, I tell you, Mr. Speaker, they did not believe in it in 1911. They knew that it would not remove the British flag from a solitary flag pole in Canada, they knew it would not throw anybody out of employment and they knew they were putting up the greatest hoax upon the people of Canada that was ever put up upon the people of any country. They knew it would not turn the railways into streaks of rust and they knew that it would not divert traffic from the railways running east and west to railways running north and south. Hon. gentlemen opposite knew it, the railways knew it, the manufacturers knew it but yet they fooled the people and by that means they succeeded in getting into power. They had to pay back the people who put them in power by adding 7½ per cent to the cost of everything that they produced when this war came on instead of trying to raise money by more modern and scientific methods. When you ask them to do something to remove that iniquity they say: You cannot do it; you can only raise money in war time by means of the tariff. But, they did remove the duty on wheat and I am very glad they have done so. I have reason to believe, from the intimation made by the Minister of Finance, that they intend to go farther and remove the duty from wheat products.

Sir THOMAS WHITE: I made no such statement.

Mr. CARVELL: Well, it is well to have the record clear. The minister certainly left the impression on my mind that he was going to implement his Order in Council.

Mr. PUGSLEY: Did not the minister state that he was going to amend the Order which was passed?

Sir THOMAS WHITE: My hon. friend (Mr. Pugsley) is surely not putting his question seriously?

Mr. PUGSLEY: I am.

Sir THOMAS WHITE: The amendment before the House covers wheat, wheat flour, and wheat products.

Mr. PUGSLEY: No, seminola.

Sir THOMAS WHITE: Wheat products —that is the amendment before the House of the hon. member for Edmonton (Mr. Oliver). What I stated was that the Government had placed upon the free list, wheat, wheat flour and semolina. That is done.

Mr. CARVELL: It is well to have this matter cleared up and to know that the minister does not intend to put wheat products on the free list by Order in Council. It is well that the men in this country who are trying to produce more should know that. The minister says: Production, and still more production; we want you to raise more cattle, more hogs; we want you to increase production if possible, but we are going to make you pay $3, $4 or $5 more per ton for the food of these animals than you would have to pay if we took the duty off. It is well that the people should know also that the keeping on of that duty does not add one dollar to the revenues of the country. It is well that the people of this country who have live-stock should know what the attitude of the minister is to-night. He is going to make these people pay to the millers, the men who are producing these goods in Canada, $4 or $5 a ton more than they would pay if he would, by Order in Council, remove that duty and let them come in free.

Sir THOMAS WHITE: Does my hon. friend not know that it was admitted by the hon. member for Huntingdon (Mr. Robb) that these products are cheaper in Canada to-day than they are in the United States?

Mr. CARVELL: All I know is that my hon. friend from Huntingdon wanted to propose an amendment to make these products free and he was ruled out of order, I am afraid, at the instance of my hon. friend the Minister of Finance.

Sir THOMAS WHITE: I beg my hon. friend's pardon. I am sure that he would not wish to make a statement that is entirely incorrect. It never occurred to me that the hon. member for Huntingdon was out of order, nor did I expect to-day, when I came to the House prepared to discuss the amendment of which I had received notice, that it would be ruled out of order.

Mr. CARVELL: I accept that statement from the minister, but that does not alter the fact that my hon. friend from Huntingdon has not had an opportunity yet of presenting his amendment, and anyway I do not think it alters the fact, that wheat products cost more in Canada to-day than they would cost if the duty were removed. If I am not right, if the millers are not making a profit out of the consumers in this country that they ought not to make, if wheat products are not $4 or $5 a ton more than they would be if the duty was removed, why does not the Minister of Finance remove the duty? He could remove the duty on wheat and flour because there was such a demand in the western country that he could not resist it, and I feel satisfied that that political nine-tenths was the thing that removed the duty from wheat and flour. If he could remove the duty from wheat and flour, why could he not go further and remove it from wheat products? The very fact that the minister does not remove that duty, when he has removed the duty from wheat and flour, answers the whole question and answers it in the affirmative, that if the duty were removed the men who use these goods would be getting them cheaper than they are to-day. I do not think it needs any argument because men do these things for reasons.

The next important matter has been so ably discussed by my hon. friend from Edmonton that I feel that I would be only uselessly consuming time were I to seek to devote much attention to it. My hon. friend the Minister of Finance, with his usual sophistry when discussing tariff questions, says: "Why did you not do these things when you were in power; look at what we have done; we have reduced the duties from 17½ per cent down to 12 per cent on mowers, reapers, binders and harvesters." If my hon. friend ever did very much farming he would know that mowers, reapers, binders and harvesters make a very small item in the list of machinery which the ordinary farmer uses.

Sir THOMAS WHITE: Not in the West.

Mr. CARVELL: Yes, in the West, in the East and all over Canada. I know what I am talking about now because I buy some of this machinery myself. If this was all I had to buy I would not care very much whether there was a duty on it or not. If a

man wants to raise potatoes you have not touched the duty upon the implements that he requires. You are making him pay 20, or 25 per cent on the machinery which he has to buy. Mowing machines and binders are very small things, but take tractors, manure spreaders, potato planters, cultivators, diggers, sprayers and all those things costing from $75 up to $125 and $150, articles which every man in the East must buy if he is going to raise potatoes in a modern way and which will cost from $500 to $700 per farm; the minister has not touched a cent of duty on these and the farmers down East are paying all the way from 17½ to 25 per cent on these goods. They are paying that no matter whether they are manufactured in Canada or not because, if they are not manufactured in Canada, they are paying to the revenue, but if they are manufactured in Canada they are paying not to the revenue but to the manufacturers. No matter from what source they come the farmer pays the duty because he has to pay it to somebody. Yet, my hon. friend has not touched this duty. My hon. friend has not touched the big machinery.

He has not touched the thresher; he has not touched the steam threshing outfit; he has not touched anything except three or four of the most ordinary and the cheapest articles which the farmer uses on his farm, unless you count hand forks and rakes, etc. So, after all, I do not think the Minister of Finance can take much credit to himself for having reduced the duty on agricultural implements. There, again, he is trying to get from the farmer a little credit to which he is not entitled. I should like to know by what logic you can say that the duty should be kept on farm machinery in Canada when you realize that every man who has been in the business, outside of a certain circumscribed territory in the province of Ontario, has absolutely been driven out of existence—and I speak again as a man who knows, as I paid some thousands of dollars in order to see if I could not manufacture a certain kind of farm machinery in competition with the Massey-Harris people, and I failed. I learned to my cost that they could drive me and everybody else out unless he was a man of their substance. I will tell you how they did it. They did not sell much cheaper than I did, but they would give the farmer three years' time without interest. We could not compete against that, and they drove us out of business, and they have done that with hundreds of people in Canada. We wanted to manufacture farm machinery and to manufacture it fairly and to sell to our neighbours at a reasonable profit, and, the moment these large concerns drove the smaller man out of business, up went the price and the interest, and to-day, if you buy a thresher down East—and it was threshers that I attempted to manufacture—you pay 7 per cent interest. But when they had some competition down there you could get three years' credit without interest. It is all very well for a little clique in a certain portion of Ontario to say: We manufacture farm machinery and we want protection; but I want to tell you that there are some millions of people who do not live in Ontario, who cannot manufacture farm machinery, and who do not want protection, that is, who do not want a protective duty, but who do want protection from the Government as against these men who are compelling them to pay two prices for machinery. There are a lot of us in Canada in that position.

And then take the trade returns. Last year we imported altogether, of agricultural implements and parts thereof, everything which you can possibly imagine, including scythes and hand rakes and all the little things used on the farm, only $1,673,000 worth. I have again

9 p.m.

no idea how many million dollars worth are consumed in Canada, but there must be a great many millions, tens of millions of dollars worth of farm machinery consumed and yet we imported only $1,673,000 worth in Canada on which the Government received only $309,000 in duty, a mere bagatelle. And yet, Sir, we paid from 12 per cent to 17½ per cent and 25 per cent on all these millions and tens of millions of dollars worth of machinery used in Canada. We paid this, not to the Government, but to a little coterie of manufacturers in Ontario, and that same little coterie of manufacturers in Ontario were able to sell to the rest of the world practically $4,000,000 worth of these same articles. The exact figures are $3,854,000.

Does any man tell me that you must have protection on farm implements in Canada when we are able to sell to the rest of the world from two to three times as much as we import, in addition to manufacturing for our people at home? We sold these goods all over the civilized world except in the United States where the sales were practically nothing, we sold them in the Argentine Republic, in Australia, in New Zealand, in Britain and in France,

and before the war we sold them in Germany, Austria and Russia. I myself saw Massey Harris machinery in Germany and in France, and at a fair in Ipswich, in England, I saw their machinery for sale cheaper than you could buy it in Canada. I went there and purposely priced the machines to see. They are selling these goods all over the civilized world in competition with the rest of the world, and they can manufacture for home consumption and compete with and under-sell the rest of the world in the foreign markets, and then they will tell you: We must have protection on these goods; otherwise we will have to close down our factory. I was very much interested not long ago in discussing this question with a gentleman on a train. I very seldom talk politics on trains, but I overheard a conversation and finally took a hand in it. Years ago we used to hear the story: Oh, but we can not compete with the rest of the world, we are not in a position to compete with the world; and if you throw down the duty to any appreciable extent, let alone making goods free, we will have to close down our business, we will have to close up our shop and our men will be on the street. There has not been an election in Canada in my day that that argument has not been used, and, I am bound to say, used very effectively in certain parts of Canada. Of course, the whole thing was a farce from the beginning. Nobody believed it excepting the poor labouring man over whose head the bludgeon was held. But now a different idea has come in. These gentlemen realize that this thing will not go any longer. There is no use in the Massey Harris people saying: We can not manufacture in Canada without protection, when it is said that when the war broke out there was $8,000,000 or $10,000.000 owing to them in Germany alone, and when they are able to sell in every part of the world that requires farm implements. They can not say that any longer. But these gentlemen have another story entirely. They say: Yes, it is true that we sell in foreign countries, but we have to slaughter our goods to sell them there, and if we do not lose money we barely come out alive. But we have to keep our overhead expenses down, and in order to keep these expenses down we are compelled to manufacture in large quantities, and by selling to the home consumer at a good big price and by selling to the outsider at cost or a little less, we keep down our overhead expenses and are able to keep our factories going. That is the latest reason I have heard advanced, and a good many times in the last few years. When that is exploded it will be something else.

That brings us back to the main question, why on earth should the Canadian farmer be compelled to pay toll to the man who manufactures his machinery when that same man can supply the home market and compete with every other manufacturer in the world, in the foreign market, successfully? I believe that the Canadian manufacturer is doing a bigger business to-day in many foreign markets than all the rest of the manufacturers of farm machinery in the world combined. That is the real practical question, and that is the question that this House has to decide to-night, so far as that branch of the amendment is concerned. That is a question which I quite understand my hon. friend the Minister of Finance can vote down without any question at all, because he is constituted that way. It really comes natural to him, and I do not think he is violating any principles when he is voting against it. But I want to appeal to some of my farming friends on the other side, some of the men whose constituents are buying these articles; I wonder how they can vote down an amendment of this kind. It may be possible, but it seems to me that they will have to do a good deal of figuring on it in order to square this matter with their own consciences, let alone the best interests of the people whom they represent. I want to say again that I am the last man in this House who would by my vote advocate a tariff policy which would drive any man out of business. I do not claim to be a free trader; I do not claim to be a protectionist; I claim that, in a new country like Canada, it is the proper policy to meet conditions as they exist; and if you find that a certain manufacturer or firm of manufacturers has reached such a point of excellence, if they have made so much money that they can manufacture as cheaply as in any other place in the world, if they can exclude the foreign products from our markets, and are able to and do so manufacture and do so sell that we get no imports and get no revenue from customs duties on these articles, then, Sir, I can see no reason why that concern should be allowed to mulct the common people to the extent they are mulcting them. If you cannot make these articles free, then bring the tariff down as far as you

can, so that it will give the manufacturers sufficient protection to enable them to live, but not sufficient protection to enable them to become multi-millionaires at the expense of the common people, who are compelled to buy their wares. I have no hesitation in saying that the time has come when the duty on farm machinery should be absolutely wiped out. No man need tell me that these people can in ordinary times sell their goods to Britain, Australia, New Zealand, Germany, Austria, Russia and France at less than cost; they are not fools enough to do that. No man need tell me that they are not making bigger profits out of the Canadian consumer than they have any right to make, or than this Parliament is justified in allowing them to make.

What is true of farm implements is true of the rest of the items enumerated in the proposed free list contained in this amendment. I have discussed cement; I wish, for a moment, at the expense of being tiresome, to discuss a matter which is of greater importance to my constituency, to my province and to the province of Quebec than almost anything else in this list, and that is fertilizer.

Before the war broke out we were buying the best grade of fertilizer—what we call 4. 8 and 10; that means 10 per cent potash—at about $40 a ton. On account of the duty the price has gone up. To the credit of my hon. friend, I may say that he did not apply the 7½ per cent duty to fertilizers, but a duty of 10 per cent still applies. We cannot successfully grow potatoes without fertilizers. While a few years ago the potato industry was carried on more largely in Prince Edward Island and New Brunswick, to-day the greatest producers of potatoes in Canada are the people on the St. Lawrence river, in the counties of Rimouski, Gaspe, Temiscouata, Kamouraska, Bonaventure. My hon. friend who sits opposite (Mr. Boulay) will bear out what I say in this respect. Hundreds of thousands of bushels of the finest potatoes in the world are grown in these districts. But to-day we cannot get fertilizer, containing potash; we are compelled to pay $55 a ton for fertilizer without potash. In view of the small revenue the minister gets from this source, he is not justified in compelling the producers of potatoes to pay the present duty upon fertilizers. He talks about production, and more production. He says that the Government have taught the people to produce more; yet he piles up the cost of producing that staple article of food by the imposition of a duty of 10 per cent, resulting in the farmer being obliged to pay from $5 to $10 more for fertilizers than he would otherwise have to pay. Perhaps I am speaking more warmly on this subject than is becoming, but I know the conditions. I buy the article myself; all my neighbours and constituents have to buy it and I know that they cannot produce without it. Yet we are told to produce more. When I was home last week, the great cry of the people was: we cannot get fertilizer on account of the enormous price which the minister makes us pay for it. The removal of that duty would be a great benefit to the people of Prince Edward Island, New Brunswick, and Quebec. If for no other reason, therefore, I am compelled to support this amendment because of the vital importance of this matter to my province.

Another principle which is set forth in this resolution is dear to my heart. I shall not call it trade for trade, as my hon. friend did this afternoon; I shall call it reciprocity. When the House met after the election of 1911 it was stated by some hon. gentlemen opposite that reciprocity was dead. I said that reciprocity was just as much alive as ever. Call it reciprocity, trade for trade, or what you will; the principle involved in reciprocity was good in 1911, and it is better to-day. The Minister of Finance has admitted that he has gone back on every word that he uttered on reciprocity. He has eaten crow with the best face of any man that I ever saw in my life, and he smacked his lips over it. He said, I know I was wrong in what I said in 1911; nothing is so good for this country as free wheat. And he has admitted that the member for St. Antoine (Sir Herbert Ames) was wrong when he said that if wheat be made free, the very cornerstone of our trade is removed. The member for St. Antoine a few weeks ago, meek as a little boy, said: free wheat is all right; we have to take it; it is a good thing. These hon. gentlemen, by advocating the adoption of free wheat, have said in effect that reciprocity is good in 1917 and that it was good in 1911. Millions of people in Canada say that reciprocity is right. In this amendment is embodied the principle that food and food products, animals and the foods therefor, should be admitted into Canada free of duty from any country which makes similar tariff provisions. Some gentlemen contended six years ago that if this policy were adopted, you would not be able to sell cattle. I do not

know whether I could tell you what some gentlemen argued in the West at that time—they told so many different stories in different parts of the country—but one thing they said in New Brunswick was that if we had reciprocity, the Yankees would come over and steal our lumber. They are coming over now and paying $35 a thousand for our lumber, which we used to sell at $12 and $14. Of course, I do not say that that is entirely because the duty has been taken off lumber, but a large part of the result may be attributed to that cause. We have secured a certain amount of reciprocity by the removal of duties by the United States. I am going to watch some of my good Conservative friends with a great deal of interest so that I may see the wry faces they will make if the Americans put back the duty of 10 per cent on many of the articles going into their country from Canada. You will find out then whether hon. gentlemen opposite believe in reciprocity or not. It will also be a matter of interest and curiosity to me—possibly I may be animated by another feeling—to watch some of my good friends and see how they take the imposition of say $6 or $7 on a two year old steer, $3 on a thousand feet of lumber, and various amounts on other things now going to the United States and for which we are receiving magnificent prices. I am glad, Sir, that my hon. friend has included this principle in his amendment. I repeat that the principle is just as good to-day as it was in 1911. The items mentioned in the amendment are just as deserving of consideration as was free wheat. Free wheat is good for the farmer of the West. It is good for the farmer of the East, because it gives him cheaper bread, but free wheat does not mean so much to him as the removal of the duty on some of the items included in this amendment would mean.

The fourth paragraph of the amendment provides for a general reduction of tariff on all artiles imported into Canada except luxuries. With that principle I heartily agree. But one article which, in my judgment, has ceased to be a luxury—which, as a matter of fact, has become a real necessity to the farming community—is the automobile.

I realize that down to a very recent date automobiles were a luxury; and while I think a duty of 42½ per cent is outrageous, still there is no doubt there was a time when that duty was justifiable. The time, however, has now come when in the West and in the East and in all the farming communities of Canada, the people not only want the automobile for the pleasure of the thing, but really demand it and regard it as a necessity on the farms. Probably nothing has made farm life in Canada as pleasant and attractive as has the automobile and also the rural telephone, and I know of no greater pleasure than to see a farmer, after he has done his day's work, take his wife to town in his car and perhaps go to a picture show or a theatre and return home by ten o'clock. The automobile has become a necessity for a farmer taking trips into town for repairs for his machinery and for a hundred and one things that are required around a farm. When one realizes that an automobile which costs $1,000 in the state of Maine, ten miles from my home, would cost $1,425 on this side of the line, one can hardly credit it. I can go ten miles from my home and buy a car for four or five or six hundred dollars less than I can buy it in my own town. I would not mind paying a reasonable duty on an automobile because I know that we must raise a revenue, but why an automobile should be worth $100 more on this side of the Detroit river than on the other is something that I can not understand, and why on earth a better class of car costs $200 more in my town than in the town of Houlton in the United States ten miles away, is, something also that I cannot understand. There is another thing that makes the tax even more burdensome. This old story about infant industries is becoming practically exhausted in Canada. Up to a few years ago, one heard it said: You must encourage the infant industries. But some of those infants have stuck to the bottle for many years, and some of them will die upon the bottle, let alone live on it. I find, as regards the automobile industry, that not only do we manufacture a very large percentage of the automobiles which we use in Canada, but last year we exported $9,431,000 worth of automobiles and we shipped them to all parts of the world. When I first saw those figures I thought they referred to motor trucks and cars of that kind that were sent over to Great Britain on account of this war. That is not the case. A very small proportion went to Great Britain, but we shipped automobiles to the Argentine, Australia, New Zealand, Newfoundland, the West Indies, and other countries. Therefore, we are able to manufacture automobiles, not only for our own market, but to compete

with the rest of the world, and yet you tell me you require a duty of 42½ per cent to-day in order to keep a few little automobile factories running in Canada. The Ford factory is the only one in Canada that is making automobiles; the other so-called automobile factories are only assembling the parts which are imported from the United States. I will admit that they manufacture a few bodies, but outside of factories manufacturing bodies and assembling parts, I know of no concern in Canada except the Ford which manufactures automobiles. There was one in Toronto, but it was sold out to an American firm which is now using that plant only for assembling parts. It is true that the parts that are imported are subject to a duty of 42½ per cent, but in the whole realm of commerce there is no article that is more susceptible of manipulation than an automobile part. Take, for example, the rear axle containing the differential. You take an ordinary $1,000 or $1,200 car, and you want to bring in that axle, and the factory will charge you $125 for it, but they will bring it in as a casting, and it will cost them only $15 and they will pay the duty on the value of that article as a casting. They bring these parts in at a nominal figure, and they pay duty only on that figure; they assemble the parts in this country and they sell them to our farmers adding 42½ per cent on the total value. For instance, they might pay $100 in duty on the parts of an automobile that they assemble, and they will charge the people $400 for doing so. That is a matter which comes as near to me as anything in the whole realm of commerce, and it is something which I am, in the most serious possible manner, calling to the attention of the Minister of Finance. It is true we get some revenue on importations of automobiles, but we shall get a good deal more revenue if you will cut the duty in half or even cut it down to a third, because in that case you will find that the people will import more automobiles. The farmer on the western prairie who cannot afford to buy a car now will be able to have one then, and a man down East who has saved up $500 or $600 and who says that he cannot afford to pay $1,000 for an automobile will be able to buy one. In that way, more automobiles will be imported and the Government will get as much revenue out of those importations as they will under present conditions, but the man or the American company who has a factory over in Canada assembling automobiles will not make as much money out of the business as he is making out of the people of Canada to-day. There is no doubt about that. As far as I am concerned—and I think I am voicing the sentiment of every man in this House, no matter on which side he sits—I am sure we would all like to see the ordinary farmer, and even the labouring man, if you will, be in a position to buy an automobile, rather than to see the dollars piled up in the pockets of the American manufacturer who assembles parts in the Dominion of Canada.

The last item of this amendment refers to the British preference, and I know there is nothing in the whole list which is so distasteful to the Minister of Finance as is the proposal to increase the British preference. I do not think my hon. friend feels that way towards it because he has any real objection to trading with Great Britain. I am not charging him with anything like that; I never charge any one with disloyalty, because I think the meanest thing on earth is for one Canadian to say to another: You are disloyal. I am not intimating that for one moment. The minister knows that there is no greater blow to high protection in Canada than the British preference. He knows that the British preference works out, not in one way, but in three ways. He knows that if you increase the British preference to 50 per cent, then any article which can be brought into Canada from Great Britain or any of the Dominions that have the same arrangement, will come in by paying half the duty which the same article will pay if imported from a foreign country, and if the matter would stop there, the minister would not feel so badly about it; but he knows there are two other phases to this question. He knows that if the foreigner wants to bring that same article into Canada he must sell it at a price which, with the duty added, will not make the cost to the consumer any more than the British article will cost with one-half the duty added, and he knows that he will probably derive less revenue unless he has a bigger importation. There is, however, a third phase of the question which is still more important to my hon. friend and to Canada, and that is that the home manufacturer must sell his goods at a price low enough to compete with the article which comes from Great Britain, with one-half of the duty chargeable against it, or with the foreign article cut down in price so as to meet the British preference. Therefore,

every time you increase the British preference on an article you make that article cheaper, whether it comes from Great Britain or from a foreign country or if it is manufactured in Canada. You will find you are not only making it cheaper to the consumer, but you are stimulating importations, because if it is cheaper, people will be able to buy more of it; more of it will be imported and the result will be at the end of the year you will have just as much revenue with the British preference increased to 50 per cent as you have now with the British preference around 33 per cent.

I have gone over the paragraphs of this amendment a little more in detail perhaps than was necessary, but it is a very important matter to me. I do not want to leave this subject before trying to answer in a very hurried way the question which my hon. friend put this afternoon, and I knew it was coming, because the very moment you talk about reducing the tariff hon. gentlemen opposite ask: Where are you going to get the revenue? I tried to take down the minister's exact words this afternoon. He said: "We could not raise the money without the tariff; it is and must be the main source of revenue." He said the tariff could not be revised in war time, and that we could not get along without it. I have not asked him to do without the tariff. I have never asked and never will ask a government to remove the tariff on any article if by so doing they would prevent the article being manufactured in Canada under ordinary conditions. But I say and shall continue to say until common sense methods prevail with the government of this country that when an article is manufactured so cheaply in Canada as to prevent the importation of the foreign article, that article requires no protection; it is paying no duty, and it requires no protection. In the case of such articles I ask the Government to remove the duty entirely, so as to allow the people to get the benefit of the amount of money they are now paying to the Canadian manufacturer. When I find that the duty on an article makes the people of this country pay more than they should for their boots and shoes and many other items I might mention, then I say it is the duty of the Government to cut that duty down to such a point that the people will not be compelled to pay an exhorbitant price, and the country will get some revenue by the importation of the foreign article. I have already pointed out that in the case of boots and shoes the duty amounts to less than three-quarters of a million dollars, including the 7½ per cent. I would cut the duty down so that the people would have the choice of bringing the article in at a fair price or of buying from Ames, Holden & McCready at a fair price. I would put those people where they could not sell their watered stock for good money and they say later on: You must not touch the duty on these goods or you will render valueless the stock for which good money has been paid. And similarly with regard to cement and many other items, such as farm machinery and automobiles to quite an extent. My hon. friend will say: We must have these duties in war time, because we cannot raise money in any other way. I do not think my hon. friend does himself justice when he makes the statement that he cannot raise revenue except by the customs tariff. My hon. friend has a pretty good opinion of himself as a financier, and I admit that he knows quite a lot about finance; he understands the question pretty well.

Sir THOMAS WHITE: Not any too well.

Mr. CARVELL: Fairly well. He knows more about it than I do, if that is any consolation to him, and I cannot understand why a man who knows as much about finance as he does, who can keep the finances of this country in a better condition than the finances of any other country in the world except the United States, cannot find some other method of raising the revenue except by customs tariff. My hon. friend has found out something. He has taxed the business interests of Canada. He has taxed the banks. My! but he hit them a gentle blow, one of those beautiful lovetaps that my hon. friend reserves for the big interests. He has learned how to tax the common people on every letter they send across the seas. He knows how to do all these things, and now he comes and says, I can do no more, I am done.

Sir THOMAS WHITE: Oh, no.

Mr. CARVELL: My hon. friend is taking all these taxes out of the common people anyhow, and no matter whether he has to raise $230,000,000 or $330,000,000 in the future he realizes that it has to come out of the pockets of the people of Canada in some way or other, and does he mean to tell me that with all his knowledge of finance he knows of no way of raising the revenue except by custom duties? Never for a moment.

Mr. MICHAEL CLARK: He is too modest.

Mr. CARVELL: He is not as modest as all that. I will not go over the question of an income tax, as we have discussed that time and again in this House. I will not discuss the land tax, though personally I believe there is no tax in the world that is so equitable and just. They tried the experiment in the province of Ontario last year, imposing only a small tax,about 2 mills I think—it was a nominal sum any way—and they got more money than they knew what to do with. I am sure that the Minister of Finance by imposing a moderate land tax could raise half the revenue he now raises from the whole Dominion. But he only wants a tariff revenue, and he says that he knows of no other method. I can tell him that there will be some man in his seat before very long who will know what to do, and how to do it, and just as soon as the people of this country get a chance they will show him what to do. I want to tell him that all is not well in Canada, notwithstanding the very glowing statement he made this afternoon. Go and talk to the labouring man in the towns and villages in any part of Canada. I grant you that he is getting more money than he ever did before, perhaps $2.50 a day, or if he is a munitions worker from $3 to $5 a day. But go into that man's home and ask him what he thinks of present conditions. You will find that he has to pay $7 or $8 for a pair of boots for his wife which formerly cost him only $3.50 and $16 a barrel for flour and 13 and 14 cents for a loaf that used to cost him 10 cents. He cannot buy woollens at all, because the price has gone up out of sight, and my hon. friend has imposed a tariff of 35 or 40 per cent. Every trticle of food and clothing that the poor man uses in his home has been multiplied in price until he does not know how to make ends meet. The common people of this country are thinking deeply about these matters. To the ordinary labouring man or the clerk in the store, the man working for a daily wage or for a small salary, the problem of the cost of living is becoming—I was going to say almost a greater problem than the war itself, and it is men of this class who are winning the war; it is not the plutocrats who have shed their blood and spent their money to win this war. It is the common everyday people, the labouring man and the farmers' sons who have volunteered and gone to the front, and the question which is agitating the common people of this country to-day is the high cost of living. Wherever three or four women are gathered together, whether they be rich or poor, high or low, after discussing the latest hats you will always find them talking about the cost of living. The question is in everybody's mouth; the problem is with every man who has to earn a living for himself and family. No matter how my hon. friend may draw his cloak around this question, no matter what sophistries his monopolistic friends may preach to him, I can tell him that the common people are thinking of this question as they never thought of anything before since Canada was Canada, and the people will find a way if my hon. friend cannot; they will find a way, and they will find the man to get rid of this burden on the necessities of life. They will show my hon. friend how to raise the revenue, and how to make the man who has grown rich out of tariffs and out of the present war pay his fair share into the treasury of this country, not only while the war is on but after the war, when I believe terrible conditions will exist and additional taxation will have to be raised.

Mr. F. L. SCHAFFNER (Souris): I understand the argument of the hon. member for Carleton, N.B. (Mr. Carvell) to be that duties have very much effect upon the prices of goods. I desire to call his attention to several items with which I am familiar. First, I take agricultural implements—I speak particularly of the mowers and binders used in the west. The reduction of duty that has been made in agricultural implements has been made almost wholly by the Conservative Government. The duty was at first 35 per cent. A Conservative Government reduced it to 20 per cent. The succeeding Liberal Government reduced this duty to 17½ per cent, and under the Conservative Government it has been cut down to 12½ per cent. Yet we are paying more for agricultural implements to-day than we paid when the duty was 17½ per cent. Take the case of flour. The duty on this article has been removed altogether. We are paying more for flour than we did when a duty was charged. The hon. gentlemen referred also to boots. The duty under the Conservative Government was 25 per cent. Our friends on the other side, though they talk so much of low tariff, increased that duty to 30 per cent. I did not rise for the purpose of making any extensive remarks, but I wished to call the attention of the hon. gentleman to these facts, which he cannot dispute.

Mr. CARVELL: Why did not you ask the hon. member for St. Antoine (Sir Herbert Ames) to make that statement.

Mr. SCHAFFNER: I make my own statements without reference to any other man. It happens that the hon. member for St. Antoine sits beside me, but that has nothing to do with the matter. The question is, are these facts or are they not?

Mr. CARVELL: Is the hon. gentleman asking a question or making a statement?

Mr. SCHAFFNER: I was correcting the hon. gentleman's error.

Mr. CARVELL: Then he does not expect any reply from me.

Mr. J. M. DOUGLAS (Strathcona): No resolution has come before this House which it has given me greater pleasure to support than this amendment proposed by the hon. member for Edmonton (Mr. Oliver). The reduction of the tariff is an idea very dear to the hearts of the people of that part of the country which I represent, and for that reason as well as because it commends itself to my own judgment, I strongly support this amendment. The Minister of Finance this afternoon took great credit to the Government for the raising of 400,000 men and sending them overseas to take part in the war. From my knowledge of the methods of recruiting and equipping the Canadian army, I take exception to the hon. minister's statement. I come from a city which, I believe, has done more for recruiting, according to its population, than any other in the Dominion, and I think the same applies to the province of Alberta as a whole. I say that our success in raising a large number of men for the front was not owing to any action taken by this Government, but to the extremely patriotic feeling which pervaded all classes of the people. When the war broke out no government could have stopped the men in my province from volunteering and enlisting; in fact, when it was first known that war was on, the difficulty was to prevent men from going. I venture to say that if the Department of Militia had used business-like methods in recruiting the first contingent, and, later on, the rest of the men required for overseas service we should not to-day be confronted with the problem of conscription.

The Minister of Finance also took a great deal of credit to the Government for the way in which the Canadian war loans have been subscribed. I admit that these domestic loans were a new departure in finance, and the minister is entitled to credit for his acumen in resorting to them. But he must not overlook the fact that there is no investment in Canada which offers equal security and equal return on investment with exemption from war taxation. It would be poor business on the part of any man or woman in Canada who has money to invest not to buy a bond or more as their circumstances permit.

I was much disappointed when the Budget was brought down to find that no tariff changes were made. We are confronted with the terrible difficulty of providing foodstuffs for the Allies in spite of obstacles to transportation. We are urged on all sides to increase production and to do everything to enable the Allies to feed and care for the men at the front. In my province, where agriculture is a basic industry, and where conditions are excellently suited for the raising of all kinds of grain, one of the first problems confronting our farmers is the duty on agricultural implements. We believe that the western prairie provinces are bound to be the greatest grain-producing section in the whole Dominion. We believe, therefore, that it is absolutely essential that everything should be done that can be done to make production there as economical and as efficient as possible. For that reason I am strongly in favour of the amendment, which declares for the reduction of taxes on implements required for use on the farm. A commission has been appointed to investigate the high cost of living, and to learn what can be done to ameliorate the conditions under which the masses of the people are struggling at this time. We have also had a discussion in this House within the past few days as to price agreements which are to-day in effect as between the manufacturers and wholesale dealers. I understand that this commission, appointed by the Minister of Labour, has been investigating these matters from coast to coast, and that they have in their possession copies of such price agreements as were brought to the attention of the House by the hon. member for Moosejaw (Mr. Knowles) a few nights ago. And yet we are not informed that any action has been taken by the Government, or even by the Minister of Labour, to bring the parties to these agreements to time, and thus to effect a saving in the cost of the necessaries of life for the people. The combines between manufacturers and wholesalers have been in existence for a great many years.

One particular combine which I have seen in my province is the sugar combine. The sugar refining industry is in the hands practically of three or four firms in Canada.

The British Columbia Refining Company operate from Vancouver east as far as Brandon. From there the eastern manufacturers control the price and it is a straight combine price in every city and town between Vancouver and Montreal. The question of value apparently does not enter into the computation at all. Sugar is sold cheaper in Brandon than in Regina and yet it may be supplied from Vancouver. Sugar is sold cheaper in Yorkton than in Edmonton and yet the distance from the shipping point is from 300 to 500 miles greater in the former case than in the latter. The same thing applies with respect to a great many other lines of staple goods which are absolutely required by the people of this country. Yet, the commission which was supposed to deal with questions of this kind and to find a solution, if possible, has done nothing to alleviate conditions and to-day we are confronted with a terrible rise in prices of all food commodities. Prices have gone on increasing until we have reached a stage where it is practically impossible for people to live with any degree of comfort.

Another question in regard to which the Government has been derelict in its duty is that of supplying seed to the farmers for the increased production which hon. gentlemen opposite have been advocating. The cultivation of potatoes is a matter of very great importance to the country at the present time. I suppose there is no food product which is in more common use and which is of greater importance to the people of any country than the potato and the importance of a plentiful supply of this commodity is obvious to every one. The Government, through their Minister of Agriculture, or through the commission appointed to investigate the high cost of living, must have known that the supply of seed potatoes was very scarce and that the price was skyrocketing. Yet the Minister of Agriculture did nothing outside of making a few inquiries in the different provinces as to the number of bushels of potatoes which were available. The result of this inquiry must have shown him that the situation was extremely serious inasmuch as he was informed that only in three provinces had they a surplus. He took steps to provide seed wheat, oats and barley to the farmers of eastern Canada and yet he neglected to arrange for a supply of seed potatoes which his department could have secured for the farmers of Ontario, Quebec and other provinces who required that seed. The result of that policy of inaction is that to-day when planting is on, a large acreage which otherwise would have been planted with potatoes will go without the necessary seed being put in to ensure a satisfactory crop to our own people. Any one planting potatoes has to pay such an exorbitant price for the seed that it is very questionable, even if he has a good crop, whether he will get a sufficient return in the fall for the cost of the seed and his labour.

Last year a duty was added to a food necessity of the western provinces particularly which is obtained from British Columbia and the western states. I refer to apples. Apples have become a necessity of the prairie provinces. We are not able to grow them ourselves and it is absolutely essential that we should import them. This Government in its wisdom, last year, raised the duty on apples until to-day the duty is 90 cents a barrel. This was done at the request of the growers in British Columbia. I think that is a fair statement. I do not think that any growers in eastern Canada particularly urged upon the Government that this duty should be increased. We, in western Canada at least, thought that we were being mulcted for the benefit of the fruit growers of British Columbia. The result of that duty has been this: We were told at the time that the duty was put on that we would get as good a grade of fruit as we had been getting, that we would pay no more for apples, that the British Columbia growers would be able to produce and ship at a profit, and we would be encouraging industry in our own country and not doing ourselves any harm. What has been the result? I have lived in western Canada for twenty-two years and I have never yet seen as poor a quality of apples put on the market in Alberta as we had this year and we have never paid as high a price. The argument may be put forth that the apple crop was a failure in Ontario last year and that that was the reason why our apples were higher in the West. As a matter of fact, we do not bring apples from eastern Canada farther west than Regina or Moosejaw. The apples consumed in Alberta come from British Columbia or from Oregon. In spite of the fact that a duty of 90 cents per barrel was put on apples, importers were compelled to buy from Oregon and Washington quite a large quantity on which a considerable duty was paid. In answer to a question I put on the

Order Paper I was informed that the total amount of duty collected from the importation of green apples imported into Canada from the United States during the fiscal year ended March 1917, was $250,155.90. That was the import duty on apples coming in from the United States. I also asked what was the total amount of duty collected on green apples imported into Canada from the United States at the ports of Calgary and Edmonton respectively during the year ending March, 1917, and I find that in Calgary we paid duty to the amount of $17,373.60 and in Edmonton to the amount of $20,038.90. When this duty of 90 cents a barrel was put on it was generally stated, by gentlemen representing British Columbia constituencies, that it was not a duty for revenue. It was absolutely a protective duty imposed explicitly for the purpose of shutting out American apples from Canada, yet, in spite of that fact, we in western Canada, in the two ports of Calgary and Edmonton, were forced to pay duty on American apples from the state of Washington and the state of Oregon to the extent of nearly $40,000, protecting the whole British Columbia crop to the extent of 90 cents a barrel. The way in which we were served was that we received the poorest stuff. The grading was the poorest it has ever been in my experience, and I question very much if the British Columbia grower is much better off than he was a year ago before that additional duty was put on. If the Minister of Agriculture were in his place I would call his attention to the way in which his inspectors have been marking and classifying apples under the pure food laws. The grading of apples coming in from the American side, I was told by importers who had no object in telling me this that except that it was the absolute truth, is entirely unsatisfactory; I am told that no matter what the grade of apples coming in from the other side might be, the inspector on the Canadian side marked the fruit number two. It is well known that the grading of apples on the American side in the Western States is higher in standard than on the Canadian side, and the object of marking all the stock number two is something that I do not understand.

Upon the amendment introduced by the hon. member for Edmonton (Mr. Oliver), I want to make a few remarks, even at the risk of repeating many of the arguments that have been so ably advanced by the hon. member for Edmonton and the hon. member for Carleton, N. B. (Mr. Carvell).

[Mr. Douglas.]

The subject is so dear to my heart, that I feel it my duty to discuss this question, even at the risk of such repetition. The first clause is that wheat, wheat flour and other products of wheat be placed upon the free list. This policy has been adopted by the present Government to a large extent, with the exception of bran, shorts, middlings and other products of wheat. The principle has been accepted by the Government, so that in asking that this clause be enlarged to include bran, shorts, middlings and other products of wheat, we are not asking anything which should not be granted if the Government are sincere in placing these articles of wheat, wheat flour and semolina on the free list by Order in Council a few weeks ago.

10 p.m.

The second clause relates to farm implements and machinery and farm tractors. I have gone into the amount of duty which we have collected on the different lines of farm machinery during the year 1915-16, the last period for which returns are available, and I find that on nearly all the lines of farm implements that might be used on a western farm, including binders, cultivators, drills, rollers, harrows, hay loaders, hay tedders, horserakes, manure spreaders, threshing machines, ploughs, reapers, mowing machines and parts thereof, other agricultural implements and parts thereof, the total amount of duty collected was $446,111.49—less than half a million dollars collected on all those different items of farm machinery, articles which have got to be used by every farmer, not only in western Canada but also in eastern Canada, on which he is mulcted to the amount of that duty, no matter whether it is 12½ per cent or 25 per cent, although we are being urged, not only by the Canadian Government but by the Imperial Government as well, to conduct a policy of production, and yet more production, nothing is done on the part of the Government to assist the farmer in any way or to induce him to cultivate more land. It is well known that a farmer cannot bring additional land under cultivation in a day, or a week, or six months; if he is a business man, he must look ahead and see that he will have a market for his produce, that if he breaks up or acquires additional land and puts it under cultivation the transaction will be a profitable one to him, and that it will be to his advantage to raise more cattle, sheep, grain or whatever he is producing. If the Government had been anxious to assist in procuring more production, the removal of the duty on farm im-

plements would have been a great assistance. It is what the farmers have insistently asked for for many years, and it would have had more effect in stimulating production than almost anything else that I know of. In relation to farm tractors, it is difficult to ascertain the exact amount of duty paid. These tractors are included in the customs returns with large and heavy tractors and it is almost impossible to find out the duty collected on these particular items which would be affected by this resolution.

As for flour—and saw-milling machinery, the amount of duty collected on these items is not very great, and if we place lumber and flour on the free list, it is only fair that the machinery which is used in the producing of these articles should also be placed on the free list. The amount of duty collected on sawmilling machinery for 1915-16 was only $36,825.27. The amount of duty on mining machinery, much of which is already free, including ore crushers, with which are included rock crushers (which are not properly mining machinery) was $90,587.

In going over the entire list, I find that on coal oil, kerosene oil, the amount of duty collected in 1915-16 was $160,534.41; and on the products of petroleum, which would include lubricating and fuel oil, another $155,993.63, which makes a total duty collected of $316,528.04. When you consider that practically every one in Canada occupying a position in the rural life of the country and every labouring man in many parts of the cities of Canada is a user of kerosene oil, it is surprising to find that we are forced to pay to a combine a duty of two and one-half cents a gallon. The Government receives only $316,000 from that source of revenue. While the duty of 2½ cents does not seem to be very high, on an ad valorem basis it means a protection of 45 per cent or over. This is a tariff not for revenue, but absolutely for protection. It is put on for the purpose of preventing the importation of oil, and it has the effect of enhancing the price to every user of oil in Canada.

Mr. CARVELL: What is the duty on the raw product?

Mr. DOUGLAS: The raw product is free, with the exception of 7½ per cent war tax. The hon. member for Carleton has gone into the question of cement, showing that we received less than $10,000 during the year 1915-16 from the duty on that article.

From the duty on fertilizers we received $59,986.25. I have given the amounts received during the year 1915-16 by way of duty upon the items included in the second section of the amendment submitted by the hon. member for Edmonton, the total of which amounted to $959,418.74. It would not unduly press upon the revenues of Canada to give relief to a large number of people and to aid production by the removal of these duties, because the revenue would be affected only to the extent of less than a million dollars.

The next principle set forth in the resolution is:

> That staple foods and food products, other than wheat and flour, domestic animals and foods therefor, be admitted into Canada free of duty when coming from and being the product of any country admitting like Canadian articles into such country free of duty.

This is the principle which was advocated in 1911 in the reciprocity pact. I was firmly convinced at that time that the principle was correct, sound and logical, and I have since had no reason to change my mind.

That substantial reduction be made in the general tariff on all articles imported into Canada except luxuries is another principle which we, as Liberals, stand for. I hope that the Government will, by adopting the amendment, carry that principle into effect.

I was able to observe some of the benefits of the British preference when it was first introduced in 1897. I was engaged in business at that time, and I saw the practical workings of the reduction of a straight 33 1-3 per cent in the duties upon all articles imported into Canada from Great Britain. From the consumer's standpoint, no act of any Canadian Government was ever of greater value than the putting into effect of the British preference in 1897. We were enabled to import manufactured goods of good quality at reasonable prices, giving to the consumers an opportunity of obtaining the finest line of cotton and woollen goods ever brought into the country. We were able to give more trade to the Mother Country than we have ever given since; our present trade returns with the United States show that that is the case. When the Liberal Government changed the British preference of 1897 they made a great mistake. If they had left the preference at a straight 33 1-3 per cent the consumers of Canada would have derived from it an untold benefit. I want to see that preference re-established and enlarged so that we shall be able to purchase cotton and woollens from the

country which leads the world in the manufacture of those articles. While certain lines of manufactured goods in Canada would be adversely affected, we must not forget that the large body of consumers must be taken care of or they will not stay in the country.

I should like to make a few suggestions as to how the Government might raise the amount of money which would be taken away by putting on the free list the articles enumerated in this amendment. I am living in a part of the country which has a tremendous amount of unimproved farm lands. I am quite in accord with the view expressed by the hon. member for Dauphin (Mr. Cruise) that the Government would be well advised in putting a direct tax on all unimproved lands in Canada. I have not gone into the figures as carefully as the member for Dauphin with regard to the amount which could be derived from such a tax, but I am convinced that it would be substantial, more than enough to compensate any change made in the tariff to alleviate the condition of the working people. I would advocate, also, a graduated income tax. I would exempt incomes of $2,000 and less, for a man who earns $2,000 a year is not earning any too much. The tax on incomes exceeding that amount would, if properly looked after by the Minister of Finance and his department, result in the raising of a very large revenue. He has imposed a graduated tax on corporations and firms; I do not know that I would go any further than he has gone along that line. He is probably looking into the question carefully, and is, perhaps, getting as much money from that source as he can get.

As to the question of free wheat, I would urge the Government, if they do not accept the amendment of the member for Edmonton, to make the measure providing for free wheat a permanent tariff change. In the growing of wheat it is absolutely essential that the producer shall have some guarantee that his market will not be interfered with by the mere whim of any ministry which may be in power.

If he wishes to ensure permanency and stability on the part of the grain grower in western Canada, he can do that in no safer and better way than by enacting the legislation which he has brought into force by Order in Council so as to make free wheat a permanent item in the tariff law. I would also urge upon him the necessity of putting oats, barley and flax on the same level as he has put wheat. If he will grant these requests, he may even get a few votes from his Conservative friends who otherwise might vote with the Opposition.

Mr. THOMAS MACNUTT (Saltcoats): Mr. Speaker, I feel that I would be failing in my duty to my constituents if I did not support this amendment, as I, amongst others, received in 1911 a mandate from the people to support a policy along the same lines. and this mandate has not yet expired. This amendment, however, goes somewhat further than the reciprocity proposal, and I only wish that at that time the reciprocity proposal had gone as far, because although it was defeated, it would have suited me a great deal better had its scope been wider, as I have always felt that the development, not only of the West but of the whole of Canada, which it is always claimed depends upon the development of the West, depends on freedom of trade with the United States to a large extent. We, however, failed to obtain a majority in 1911, and we have been fighting for freedom of trade with the United States ever since. The hon. member for Edmonton (Mr. Oliver) has now brought the matter up again. There are, in his amendment, one or two features which are not exactly as I would like them to be, and I will refer to them later. I would have been pleased had the amendment gone a little farther. The Minister of Finance stated to-day that this is a bad time to revise the tariff, but some hon. members have pointed out that the tariff has already been revised, although in an upward direction, with the exception of wheat, wheat flour and semolina. Why the Minister of Finance or the Government did, as the hon. member for Carleton stated, " eat crow " in this respect, I do not know. Some reasons have been given, one of them being that the United States are now our allies, which they were not before, and that we must pool our wheat with them. If that is good with regard to wheat and flour, it must hold good with regard to other food products.

But so far as wheat is concerned, wheat for export was always free, that is, it could be shipped through in bond and milled either in the United States, or in the old country, but under this Order in Council, we now have that great American market and we appreciate it very much, no matter what the motive may be. It is just possible for us to feel that the motive might not have been along the lines of the reasons given, and it is not an illegitimate conclusion to come to that there were other influences at work. The Financial Post, on April 28, 1917, says:

Further consideration of the free wheat legislation brings the conviction that it represents a change of policy brought about not so much by war conditions as by the influence of that growing force in Western Canada to which reference has several times been made in these columns. The recent tour of Hon. Arthur Meighen probably did more than anything else to open the eyes of the Government as to the importance of meeting the Grain Growers' demands.

In another article the Financial Post makes the statement:

Over all prevails the impression that western Canada is a growing force in politics.

Whatever the motive may have been, we are very glad to have wheat on the free list, but we would like to see a good many other things on the free list. In this regard we are not asking for a special favour; we are asking that our protection be taken away from us; we do not want it; we do not ask for it. We say: Remove the obstacle from our path; if we have anything to sell, allow us to sell it, and do not throw obstacles in the way that will prevent us from selling it. If it is important that the best market be obtained for manufactured products, why is it not important that the best market be obtained for natural products? Let us find the man who wants to buy our food products, and let us endeavor to get them as rapidly as possible to this man, whoever or wherever he may be. We do not ask for any favour; we simply want the privileges that are unjust to be taken away from those who have no right to them. We do not ask this as class legislation. The West is a new country; we have what was once Rupert's Land attached to Canada and it is now considered that it will become the most important part of Canada; but while it has millions of acres of fertile land which should be productive, that land will never produce as it should until some inducement is given to the people to go on the land and until they are made to realize that they can do so profitably. A man who has a family and responsibilities is entitled, when he engages in a life occupation, to some reward if he can secure it legitimately. It is all very well to say to a man: Go to the West and go on the land, but you must show him that he can make a permanent home there, make a living, bring up his family properly and become a good citizen. I would like to read a couple of extracts with regard to this question: In the Forest Free Press of February 1, I find this, referring to the appeal made by the Minister of Agriculture for production and more production:

In the tremendous strain yet to come a vital factor will be an ample and unfailing flow of food to England and France. No matter what difficulties may face us, the supreme duty of every man on the land is to use every energy in the direction of producing more, and still more.

Now, we hold the same view. The Government apparently does not, but at the same time they are appealing for more and more production. I have another quotation here along the same lines:

In the three last fiscal years the duty paid on imported farm implements was over six million dollars, while the taxes on home-manufactured implements was over twenty million. In the same three years Canadian manufacturers exported seventeen million dollars worth of farm implements. During these same three years the manufactures were refunded over five million dollars of the duty they had paid on their raw material. Of this amount nearly two million went in aid of the manufacturers of farm machinery and tools sold at home or abroad. The last official census shows that the total value of farm products in that year only 15 per cent on the capital invested, while the product value of farm implements manufactured was 46 per cent. on capital invested.

Under this odious and discriminating policy agriculture has become so unprofitable and has languished to such an extent that the Dominion and Provincial Governments are spending this year some two million dollars, (mostly contributed by the farmers themselves), in frantic appeals to the farmers to produce more food stuffs. The Barons are very much interested in keeping up production, for several good reasons—the Railway Barons enrich themselves in carrying those products at extortionate rates; the Implement Barons want the home market kept up, while both want the farmer to continue to pay their taxes as well as his own.

And it concludes by showing that Ontario is affected as well as the West. Mr. J. H. Pettypiece says:

The great need in this connection is the removal of every vestige of the fiscal taxation which is depopulating our Ontario farms.

That surely is not in the interests of production. It is the opinion of one who is particularly well qualified to speak on this subject. One of the worst features in connection with the tariff is that it allows the establishment of combines. There is a law against combines, I believe, but the only case that was ever proceeded with that I know of was some years ago against a lumber company at Edmonton. Combines have continued to flourish notwithstanding and to a considerable extent they are the cause of the high cost of living, and they can only exist and take shelter behind a protective tariff. I have here the opinion of Alexander Macdonald, head of the A. Macdonald Company, wholesale grocers, Winnipeg:

I am surprised at the statement in the Free Press, attributed to Mr. Carpenter, local secretary of The Canadian Manufacturers' Association, in which he says that he does not know of a single instance where any manufacturer dictates what price the retailer shall sell to the consumer for. This seems strange, particularly coming from a gentleman in Mr. Carpenter's position, who should be, but is evidently not, conversant with the facts of his office.

The Shredded Wheat Company, an American concern with a Canadian factory, not only dictates what the wholesaler shall sell shredded wheat at, but they stipulate what price the retailer shall charge the consumer, and if he does not adhere to their dictated price, they notify all wholesale jobbers that they are not to supply said retailer with shredded wheat, or if they do, they cannot procure any more shredded wheat from them. The margin of profit in this case is 40 per cent between the price paid by the jobber and what the consumer has to pay.

Then the Edwardsburg Starch Co., and the Borden Milk Co., of New York, which controls certain milk canning factories in Canada, dictates to the wholesale trade not only what price their goods shall be sold at, but goes so far as to say that if other lines of syrup and canned milk made by other manufacturers are not sold at prices dictated by them, they will not supply the wholesaler with any of their goods, which is, to say the least, a high-handed proceeding. The difference in the cost of the Canadian and the American syrup delivered in Winnipeg is 58 cents per case, or 18 per cent. The freight rate is about the same, but the duty on the American syrup, tins and war tax, is 32 per cent, and still it costs 18 per cent less than the Canadian. Then there is the Crystal White syrup, which shows even a greater margin, but we will not go into the details for the present. The wholesalers' profit on canned cream is over 16 per cent, and on Edwardsburg starch nearly 18 per cent.

The E. B. Eddy Company at Ottawa fixes the price at which the jobber is to sell their goods at and distinctly states in the agreement that if any wholesale grocery house sells matches other than those made by the Eddy Company, they will refuse to supply them with their goods. Said goods carry a profit of 20 per cent to the jobber, or over double the profit that any well conducted wholesale grocery house should get.

We understand there is in this city what is called a "Grocers' Guild," composed of jobbers, who are to some extent responsible for present conditions. They are always trying to get the manufacturers to make fixed selling prices and to refuse to sell to wholesalers who do not buy exclusively from them. When they meet the manufacturer, the question usually is, not what the manufacturer is going to charge for his goods, but what margin of profit the jobber is going to get. The manufacturer left to himself no doubt takes a good profit and in many cases allows the jobber a very liberal discount, and all this is done through the combines.

I believe that every manufacturer has a right to fix his price and terms, but I do not think he should have the right to dictate to the retailer what he shall charge, neither should any manufacturer be allowed to dictate to the jobber what he shall sell a similar line of goods for. As long as a wholesaler adheres to a manufacturer's selling price and terms, the manufacturer should be compelled to supply the jobber with his goods.

Canned goods just on the market furnishes a fair sample of the benefit of protection to the manufacturers and accounts in part at least for the high cost of living. Canadian tomatoes, 2½'s, cost $3.76 per case delivered in Winnipeg; California tomatoes, 2½'s, cost $3.67 per case delivered in Winnipeg, or 9 cents per case less than the Canadian, notwithstanding that the American goods paid duty of 69c per case, or equal to 30 per cent; war tax 17½c, equal to 7½ per cent; a difference in freight rate of 18c, or equal to 8 per cent, totalling in all 45½ per cent.

Liquid veneer, another United States product, shows a margin of 97 per cent between the price paid by the jobber and the price paid by the consumer. No wonder though our friends to the south put in a small cheap plant as the duty pays for the cost in less than two years.

Of course these small plants should be protected as they are of such importance not only to Canada but to the Empire.

Clause 2 of this amendment refers more particularly to farm implements and machinery and other articles of that kind. I have only two faults to find with it. In the first place, I should like to see wagons included. I think also that, as a matter of principle, raw material for the manufacturers affected should be provided for. I think it is only fair, when we are putting the products of these manufacturers on the free list, that their raw material should be placed on the free list also. While I criticise the clause in these respects, of course I support it, as it goes in the right direction and nearly as far as it is possible to go.

Clause 3 says:

That staple foods and food products (other than wheat and flour), domestic animals and foods therefor, be admitted into Canada free of duty when coming from and being the product of, any country admitting like Canadian articles into such country free of duty.

I suppose that would cover barley and oats, and potatoes as well, coming from countries that admit such articles from Canada free of duty.

The Council of Agriculture, which represents not the West only but at least the province of Ontario as well, considered very carefully this question of tariff, and after full deliberation produced a proposal somewhat similar to this amendment. They go a little further in some respect, and probably not so far in others. These men represent the great farming interests of Ontario and the West. They are able men, men who have the interests of the country at heart. Many of them have been heretofore supporters of the hon. gentlemen opposite.

To-day, I do not know that that is their position; they are taking a thoroughly independent stand. They believe that the most important matter outside those matters relating to the war is a very considerable reduction in the tariff. But they believe also that this has a very direct connection with matters pertaining to the war. I need not enlarge upon that. We hear it from every platform, we see it in every newspaper we know it ourselves, that it is as necessary to provide shells and munitions, and to provide food, as it is to send men into the battle line. There appears to be now a very great shortage of food throughout the world. Crop failures have occurred in many food-producing countries. And even when food is produced, there is great difficulty in getting it to the seat of war. Still we have every faith that if the food is produced means will be found to carry it to the places where it is needed.

Now, surely it will be recognized that in this matter the farmers are not advocating merely that which is in their own selfish interests. It has a much wider significance than that. It is only common sense to say that the Government should encourage in every way the occupying of our vacant land and greater production from the soil by the people now on the land. But there is no great encouragement to men to go upon the land at the present time. Prices of farm products are high, but we know that these are war prices, that they are abnormal, and only temporary. The farmer must consider not merely the conditions during the time of war but what the conditions are to be in the future. It has been often pointed out, and is easily understood, that a great burden will rest upon the country after this war is over. Our people are perfectly willing to bear that burden, there is no doubt about that; they are ready to sacrifice themselves in all ways, and to make every effort possible to put the full strength of the country into the winning of the war. There will be no complaint with regard to the taxation that the country must bear after the war, so long as that taxation is the result of efficient administration and, is equitably levied. Undoubtedly the best way to meet these burdens in the future is to encourage the people to go on the land and produce. We have the land, and with great population, an increase in the production of wealth, and a condition of general prosperity throughout the country, there will be no difficulty in meeting the obligations which we are now incurring. I am satisfied the farmers will never complain, no matter what the burden may be, provided that the weight of that burden be equitably distributed.

I revert for a moment to the platform of the Council of Agriculture in order to mention one matter which seems of importance. That platform has this clause:

> That the reciprocity agreement of 1911 which still remains on the United States statute book be accepted by the Parliament of Canada.

There is one point that was evidently overlooked when that clause was adopted. The reciprocity agreement only reduced the duty on agricultural implements to 15 per cent at the lowest. That fact was probably overlooked in the consideration of this matter. Of course, the whole is modified by the clauses in favour of placing a great variety of articles on the free list.

Now, I have some figures here compiled from the official reports and courteously furnished me by the Dominion Statistician. They relate to production. As I understand that the general wish is to adjourn very soon, I will go over these figures as quickly as I can:

MANITOBA.

Wheat.

	Acres.
1911	3,094,833
1912	2,839,000
1913	2,804,000
1914	2,616,000
1915	2,754,400
1916	2,305,900

	Acres.
1911	3,094,833
1916	2,305,900
Decrease	788,933

Oats.

	Acres.
1911	1,307,434
1912	1,348,000
1913	1,398,000
1914	1,331,000
1915	1,326,800
1916	1,271,000

	Acres.
1911	1,307,434
1916	1,271,000
Decrease	36,434

MANITOBA.—*Concluded.*

Barley.

	Acres.
1911	448,105
1912	481,000
1913	496,000
1914	468,000
1915	569,500
1916	614,000

	Acres.
1911	448,105
1916	614,000
Increase	165,895

Total increase barley	165,895
Total decrease wheat	788,933
Total decrease oats	36,434
Total decrease flax	77,765

Decrease:

Wheat, oats and flax	903,132

Increase:

Barley	165,895
Total decrease	737,237

Yield 1916.

	Bushels per acre.
Wheat	12
Oats	32¾
Barley	22½

Total value all grains.

	1911.	1916.
Wheat	$41,747,000	$33,918,000
Oats	19,212,000	24,559,000
Barley	7,176,000	11,052,000
	$68,135,000	$69,529,000
Increase		394,000

Now, I want to refer to Saskatchewan, where we get somewhat different results. There was an increase in that province. I will just read some of the totals:—

Saskatchewan.

Wheat.	Acres.
1916	7,352,000
1911	5,253,836
Increase	2,098,164

Therefore, it will be seen that an increase took place in the acreage under wheat in Saskatchewan. That increase was particularly in the two war years. The increase, under normal conditions, between 1911 and 1914 was only 90,164 acres, showing that there was evidently not proper encouragement given to the farmers to increase their areas under wheat. There was a sudden jump in 1915 to 8,425,600 acres from 5,344,000 acres in 1914, and in 1916 there was an almost similar amount under cultivation. This goes to show that the farmers made a greater effort. There were not as many farmers in Saskatchewan in 1915 as there were in 1914 or 1913. A great many young men had gone to the front and many settlers had left the country. Many families said: In the United States we can get our implements cheaper, we can get a larger market and we think we can make a better living there, and they went away. Notwithstanding this, there was really a greater area under crop. In oats there was a similar result. I would like to have these figures on Hansard, but there is not time to read them. There was a considerable increase in the area sown to barley. There was a sudden jump in 1914. Between 1911 and 1914 there were increases in the acreage of wheat, oats and barley.

[Mr. MacNutt.]

Mr. PUGSLEY: I understand that my hon. friend (Mr. MacNutt) says he would like these figures to be placed on Hansard, as he has not time to read them. Perhaps the Minister of Finance would allow that.

Sir THOMAS WHITE: Yes.

Mr. SPEAKER: I think the hon. member should read them.

Mr. MACNUTT: I understand I must read them to have them placed on Hansard?

Sir THOMAS WHITE: May I ask my hon. friend what they are?

Mr. MACNUTT: They are comparative figures from the official returns, showing the number of acres under crop in each of the years from 1911 to 1916, and also from 1911 to 1914, showing what increases or decreases there were in normal years, and also the sudden jump in Saskatchewan and Alberta in 1915, though the farms were operated by a less number of farmers. My argument is that these men had risen to the occasion, but that in previous years, there was a comparatively small increase in acreage. We know very well that there was a less number of farmers in the West in 1915, but notwithstanding that the farmers who were there increased their area for war purposes. Are these men not worthy of being encouraged?

Sir THOMAS WHITE: If my hon. friend desires to put that on Hansard, unless it is contrary to the rules of the House, I would be very willing that he should do so.

Mr. SPEAKER: The rule is clear and the practice has been almost uniform. Only in very exceptional cases have figures, without being read, been put on Hansard.

Perhaps the hon. gentleman could read them.

Mr. MACNUTT: It will take me fifteen minutes to read them and there is a little more I want to say.

Mr. CURRIE: Is there anything there that is not contained in the blue books or the reports which have already been laid before the House?

Mr. MACNUTT: There is nothing on Hansard. The blue books are not put on Hansard.

Mr. CURRIE: The hon. member for Edmonton (Mr. Oliver) put the same facts on Hansard this afternoon.

Mr. MACNUTT: Well, I will read them, and I will move the adjournment of the debate if necessary. It will only take up more time. There are some other remarks that I desire to make and some conclusions that I desire to draw; therefore, I beg to move the adjournment of the debate.

Motion agreed to and debate adjourned.

LABOUR STRIKE IN WESTERN COAL MINES.

On the motion of Sir Thomas White for the adjournment of the House:

Mr. PUGSLEY: What business will be taken up on Friday?

Sir THOMAS WHITE: Either this debate upon the amendment of the hon. member for Edmonton (Mr. Oliver), or Supply.

Mr. BUCHANAN: Mr. Speaker, may I crave the indulgence of the House while I bring to the attention of the Government a matter of urgent importance. I simply want to read a telegram bearing on a very important matter in connection with the coal strike.

Mr. SPEAKER: The hon. gentleman would not be in order in bringing up a matter of that kind on the motion to adjourn.

Sir THOMAS WHITE: Perhaps it would be sufficient if the hon. gentleman would bring the matter to the attention of the minister privately, and thus obviate any violation of the rules.

Mr. SPEAKER: I suggest that the minister withdraw his motion, because the adjournment motion is not debatable, and I do not wish to establish a dangerous precedent by allowing a debate on adjournment to arise.

Mr. CARVELL: The hon. member is not endeavouring to open a debate; he is simply calling the attention of the House to a matter of urgent public importance.

Mr. SPEAKER: Is it the pleasure of the House—

Mr. CURRIE: No, it has always been the custom of this House—

Mr. SPEAKER: Order.

Mr. CURRIE: I wish the rules of the House to be observed.

Mr. SPEAKER: Order. The hon. member for Lethbridge (Mr. Buchanan) desires to bring a matter of urgent public importance to the attention of the House. If there be the unanimous consent of the House he may be permitted to do so, but if there is a single dissentient voice he cannot proceed.

Mr. BUCHANAN: I would be the last one to knowingly infringe on the rules of the House. I want merely to read this telegram which I received a few moments ago:

Calgary, Alta.,
May 23, 1917.

W. A. D. Buchanan,
House Parliament,
Ottawa.

The following wire has been forwarded today which is self explanatory. Hon. T. W. Crothers, Ottawa, Ont., having read your statement in the House, Monday, that coal strike would be settled in forty-eight hours, the Policy Committee of district eighteen, U.M.W. of A., respectfully inform you they have no information of any move of that kind, and being the only body authorized by the men on strike to negotiate a settlement, they are the only parties who can arrange the same.

Wm. Graham,
Chairman Policy Committee.

The reason I am bringing this up is that an announcement was made that the strike would be settled within forty-eight hours, and the parties concerned say that they know nothing about any negotiations in that direction.

Sir THOMAS WHITE: I shall be glad to direct the attention of the Minister of Labour to the statement of the hon. member for Medicine Hat.

Motion agreed to, and the House adjourned at 11.05 o'clock.

Friday, May 25, 1917.

The House met at Three o'clock, the Speaker in the Chair.

RIGHT HON. A. J. BALFOUR.

RECEPTION TO MR. BALFOUR BY THE PARLIAMENT OF CANADA.

Mr. SPEAKER: For the information of the House, as well as of the public, I wish to announce that Right Hon. A. J. Balfour is expected to arrive in Ottawa on Sunday. That day will be observed by him as a day of rest. On Monday at 3 o'clock it is expected that he will address the Senate and the House of Commons. The members of the Senate will be our guests in this chamber on that occasion. Mr. Balfour will come here in procession from Government House by way of Sussex, Wellington and Metcalfe streets. As the space in this chamber is limited and as we wish to avail ourselves of it to the utmost, it is the purpose that the House shall meet at 2 o'clock on Monday, thus affording ample time for those who occupy seats on the floor and in the gallery to be seated when Mr. Balfour addresses the Parliament at 3 o'clock. It is hoped that the arrangement carried out on the occasion of the visit of M. Viviani will be carried out on the occasion of Mr. Balfour's visit, namely, that all those occupying seats on the floor of the House shall have the privilege of being presented to our visitor.

INSURANCE ACT OF 1910.

PROPOSED NEW ENACTMENT.

Hon. Sir THOMAS WHITE (Minister of Finance) moved for leave to introduce Bill No. 53, respecting insurance.

Some hon. MEMBERS: Explain.

Sir THOMAS WHITE: This Bill is introduced for the purpose of re-enacting the Insurance Act of 1910 and of making such changes as are necessary to remove those features of the existing Act which have been declared by a recent decision of the Privy Council to be unconstitutional. There are also contained in the Bill a few amendments of a non-contentious nature, which are, however, deemed necessary for the proper administration of the Act. Most of the latter amendments were contained in a Bill introduced in the session of 1914, but not then, nor since, proceeded with.

Mr. CARVELL: Will the minister explain the special provision referred to?

Sir THOMAS WHITE: By a decision of the Judicial Committee of the Privy Council in 1916 it was held that two most important sections of the Insurance Act of 1910, sections 4 and 70, were ultra vires. With regard to section 4, which prohibits persons and companies from carrying on the business of insurance in Canada without first obtaining a license from the Insurance Department, the Privy Council held that that section was ultra vires, but the decision does not indicate the extent to which the section is ultra vires, and consequently the validity of the entire section is so impugned that at present the department has practically lost its authority to carry out the intention of the legislation of 1910 respecting the licensing of British and foreign insurance companies doing business in Canada. Section 70 is the section of the Act which provides for penalties.

The matter has been most carefully considered by the Insurance Department, by the Department of Justice, and also by special counsel, and the conclusion has been reached that it is necessary—and I much regret to say it—to re-enact the entire Insurance Act of 1910, in order that the Insurance Department may have authority over such companies transacting business in Canada. I think it will be found that the judgment of the Privy Council relates more particularly to the authority which the Act purported to confer with respect to prohibiting provincially incorporated companies from doing business in Canada outside of the province in which they were incorporated, but the decision as it stands leaves the larger question in doubt except in so far as the view of the Judicial Committee can be gathered from the judgment as a whole. It is the opinion of the Department of Justice that if we re-enact the measure as now introduced, the Dominion Government will have full authority over British and foreign companies carrying on insurance business in Canada, as was intended by the legislation of 1910. There are some other amendments to the Act, but I believe they will be of a non-contentious nature, and some of them were embraced in an amending Bill which I introduced in the session of 1914. I am extremely reluctant to introduce this Bill at the present session, and I do so only because I believe it is in the public interest that these doubts should be cleared up and that the Act should be re-enacted so as to give the Insurance Department the authority which Parliament intended it should have over insurance companies carrying on business in Canada.

Mr. PUGSLEY: The minister has not stated what are the changes in sections 4 and 70. How is it proposed to get over the judgment of the Judicial Committee of the Privy Council?

Sir THOMAS WHITE: I would submit that on the introduction of a Bill it is not usual to go so much into detail. I shall be very glad to do that on the second reading.

Mr. PUGSLEY: The minister has not explained the matter at all He has pointed out the difficulties but he has not stated how this Bill proposes to get over them.

Sir THOMAS WHITE: I thought I had so stated.

Mr. PUGSLEY: You have only stated that this is a re-enactment.

Sir THOMAS WHITE: This Bill will give the Dominion Government, through the Insurance Department, authority to prohibit British and foreign companies from doing business in Canada except under license from the Insurance Department. That was the intention of the legislation of 1910, and the Act has been acted on in that sense since it was passed by Parliament; but the effect of the decision of the Privy Council is, as I have stated, to impugn the validity of section 4 which applies not only to Canadian incorporated insurance companies but to British and foreign insurance companies, and this legislation is to clear up the doubt and to re-establish the authority of the Insurance Department, that is to say, of the Dominion Government over such companies as we believe we can constitutionally take power to control under this new enactment.

Motion agreed to, and Bill read the first time.

165th REGIMENT.

On the Orders of the Day.

Hon. WM. PUGSLEY (St. John City): I wish to direct the attention of the Minister of Militia to an article in the St. John Standard relating to a portion of the 165th Regiment. It appears that a certain number of the men of that regiment who were not deemed qualified to go overseas when the regiment went some time ago, were appointed to special duties at St. John, and were quartered in the Immigration Building. The account of their condition as given by this newspaper certainly demands the attention of the Minister of Militia. It is said they have not received any pay since March last, that they have not been supplied with underclothing, and their condition is such as actually to excite pity. A reporter of the Standard visited their quarters, and on the account in the newspaper reveals an extraordinary condition of affairs. I would ask the Minister of Militia and Defence to give this matter his immediate attention.

Sir EDWARD KEMP: My attention has not previously been called to the matter to which my hon. friend refers. I should be glad if my hon. friend would send me a copy of the newspaper.

Mr. PUGSLEY: I did not bring it with me because I did not want to spread the whole matter on Hansard. I am sure that my hon. friend the Minister of Marine and Fisheries must have read the report.

Mr. HAZEN: I think the account appeared in the St. John Standard of Tuesday, and the paper I received yesterday said that the Militia authorities were dealing with the matter. I would suppose that their attention had been called to the article in the Standard on Tuesday.

WESTERN COAL MINING.

On the Orders of the Day.

Mr. W. F. KNOWLES (Moosejaw): Can the Minister of Labour give us any further information as to the trouble in connection with the mines in western Canada? On Monday last he said that he expected work would be resumed at all the mines within forty-eight hours.

Hon. T. W. CROTHERS (Minister of Labour): Last Wednesday night on the motion of Sir Thomas White for the adjournment of the House, the hon. member of Medicine Hat (Mr. Buchanan) when he would have been entirely out of order except for the unanimous consent of the House, read a telegram for the purpose of showing that the statement I made on Monday, and to which my hon. friend of Moosejaw (Mr. Knowles) has referred just now, was not well-founded.

Mr. KNOWLES: I am not referring to that. I was not present, and I do not know anything about it.

Mr. CROTHERS: On Sunday I received information direct that the gentleman whose name appears on the telegram that was read by my hon. friend from Medicine Hat on Wednesday night——

Mr. KNOWLES: I rise to a point of order. I submit, Sir, that in answering a question the minister should confine himself to the answer and not enter into an argument against an hon. member who is not present.

Mr. SPEAKER: I regret to say that I did not hear the remarks of the hon. member.

Mr. KNOWLES: You are greatly the loser, Sir.

Mr. CROTHERS: I am unable to answer my hon. friend's question without referring to what was said last Wednesday night. I was stating that on Sunday I received information that the gentleman whose name appeared on that telegram had been instructed to have the men return to work immediately, and it was upon the strength of that information that I said on Monday that I expected the men would resume work within forty-eight hours. The information I had received entirely warranted my making that statement, notwithstanding any telegrams that may have been received by my hon. friend from Medicine Hat or anybody else. My hon. friend desires to know if anything further has been done. We are in constant communication with the parties directly interested. We are as anxious to get the men back to work as any hon. gentleman can be, but I do not think it would be in the public interest to go into the details of what is being done. I said on Monday that I expected the men would be at work again within forty-eight hours. I can now only hope that they will be at work within the next forty-eight hours, and I am not so optimistic as I was on Monday because the instructions given to this man have not been carried out up to the present, but I hope they will be.

Mr. KNOWLES: Is it true that the Minister of Public Works has gone to the West in connection with this matter?

Mr. CROTHERS: The Minister of Public Works was in the city to-day. I am not aware that he is going West or has any intention of doing so.

CANCELLATION OF A MAIL CONTRACT.

On the Orders of the day:

Mr. E. FORTIER (Lotbinière) translation): Mr. Speaker, as the acting Postmaster General is now in his seat, I should like to know why the Post Office Department did not conform to the Order of the House and to the request made by me, a few days ago, for the bringing down of the papers and documents in connection with the cancellation of the mail contract awarded to Mr. Hippolite Lambert, of St. Antoine de Tilly, in the county of Lotbinière. I wish to be informed when the Minister will make up his mind to bring down those papers and documents.

Hon. Mr. PATENAUDE (translation): Those papers will be brought down within two or three days.

EMIGRATION RESTRICTIONS ON CANADIANS OF MILITARY AGE.

On the Orders of the Day:

Mr. G. H. BOIVIN (Shefford): I see in the press the announcement of new regulations concerning emigration from Canada to the United States of men of military age. It appears that by these regulations, which have already gone into effect, a man will have to have in his possession a certificate signed by a Canadian immigration inspector before he can cross the boundary. I have received quite a number of requests asking for the name and address of the immigration inspector in the city of Montreal who is competent to issue these certificates. I have not been able to supply the information. I think it would be well if the Minister of the Interior would supply the press with a list of the names and addresses of the immigration inspectors in the larger cities of Canada who are competent to issue these certificates. This would be of great service to the travelling public.

Hon. W. J. ROCHE: Any one of military age can secure these certificates from the immigration inspectors. The Dominion Government immigration inspector at Montreal is Mr. Regimbal, 172 St. Antoine street.

Sir WILFRID LAURIER: These regulations are made by virtue of an Order in Council?

Mr. ROCHE: Yes. It will be laid on the Table.

DR. BRUCE'S REPORT.

Mr. MACDONALD: On Tuesday last, the Minister of Militia (Sir Edward Kemp) stated that he desired to read the report of Dr. Bruce before laying it on the Table. I presume that he has read it by this time, and I would like very much if he would bring it down.

Sir EDWARD KEMP: I confess to my hon. friend that I have not had an opportunity to read the report, and therefore it is not yet ready to be brought down.

Mr. MACDONALD: On reflection, my recollection is that my hon. friend said that as soon as he had time to have it copied the report would be brought down. Has it been copied yet?

Sir EDWARD KEMP: I think I added to that that I required to read it over and see whether it was actually an answer to the Babtie report to which the hon. gentleman had referred. I have not yet had time to read it.

Mr. MACDONALD: I do not quite understand my hon. friend. The report to which I refer is the report of Dr. Bruce in reply to the Babtie report. It does not require my hon. friend to read it to know whether it is a reply or not, it is stated to be a reply, I understand. Will not he tell us when he will bring it down? He may never read it, and never have it copied.

Sir EDWARD KEMP: I hope to give my hon. friend a definite reply not later than Monday.

SUPPLY.

PROPOSAL TO AMEND THE CUSTOMS TARIFF.

The consideration of the proposed motion of Hon. Sir Thomas White (Minister of Finance) for the Committee of Supply, and the amendment of Mr. Oliver thereto, was resumed from Wednesday, May 23.

Sir THOMAS WHITE: With the consent of the House, I desire to speak a word of explanation. An understanding has been reached with the hon. member for Edmonton (Mr. Oliver). We will proceed with the debate, as there are two members who desire to speak on the amendment this afternoon, and then we will go into Supply, the hon. member for Edmonton (Mr. Oliver) withdrawing his amendment on the understanding that he will move it again on Tuesday on going into Supply.

Mr. SPEAKER: I think the course suggested by the hon. member is the solution of the difficulty. The amendment has to be disposed of before we can go into Supply.

Mr. PUGSLEY: I think that, under the rule, on Friday the House goes into Supply without motion put.

Sir WILFRID LAURIER: I understand that the order for Committee of Ways and Means has been called by the Clerk, in order to give my hon. friend (Mr. Oliver) an opportunity to withdraw his amendment?

Mr. OLIVER: No, Supply has been called.

Sir WILFRID LAURIER: Do you withdraw the amendment now?

Mr. OLIVER: No, not now.

Sir WILFRID LAURIER: Later on?

Mr. OLIVER: Yes.

Sir WILFRID LAURIER: All right.

Mr. THOMAS MACNUTT (Saltcoats) resuming): When the debate was adjourned on Wednesday night I was quoting some figures relating to the area under crop in the several western provinces from the year 1911 to the year 1916, inclusive. So far as Manitoba is concerned, these figures showed a decrease in the area under crop of 788,933 acres. The value of the crops have increased only to the extent of $390,000, which would not pay for the advanced cost of labour and equipment. These figures go to show that there is something wrong, and we believe that this amendment, if put into effect, would, to a large extent, bring about an improvement. Now, I pass to Saskatchewan. These figures enable us to compare the acreage in 1911 with those of the succeeding years down to and including 1916. For convenience, the comparison between 1911 and 1916 is shown in summaries. But, as 1916 was a year of war, when conditions were abnormal, I make a comparison also between the two normal years of 1911 and 1914.

SASKATCHEWAN.

Wheat.	Acres.		Acres.
1911	5,253,836	1911	5,253,836
1912	5,579,000	1916	7,352,000
1913	5,716,000	Increase	2,098,164
1914	5,344,000	1911	5,253,836
1915	8,425,600	1914	5,344,000
1916	7,352,000	Increase	90,164
Oats.	**Acres.**		**Acres.**
1911	2,332,912	1911	2,332,912
1912	2,556,000	1916	3,180,600
1913	2,755,000	Increase	847,688
1914	2,520,000	1911	2,332,912
1915	3,200,400	1914	2,520,000
1916	3,180,600	Increase	187,088
Barley.	**Acres.**		**Acres.**
1911	273,988	1911	273,988
1912	292,000	1916	344,000
1913	332,000	Increase	60,012
1914	290,000	1911	273,988
1915	285,000	1914	290,000
1916	344,000	Increase	16,012

Increases 1911-1914.	Acres.
Total increase wheat	90,164
Total increase oats	187,088
Total increase barley	16,012
Total increases	293,264

Increases 1911-1916.	
Total increase wheat	2,098,164
Total increase oats	1,847,688
Total increase barley	60,012
Total increases	4,005,864
Total decrease flax	184,300
Total net increase all grains	3,821,564
Value of crops, 1915	$197,219,000
Value of crops, 1916	158,291,000
Decrease	$ 38,928,000

ALBERTA.

Wheat.	Acres.		Acres.
1911	1,639,974	1916	2,109,000
1912	1,590,000	1911	1,639,974
1913	1,512,000		
1914	1,371,100	Increase	469,026
1915	2,155,600	1911	1,639,974
1916	2,109,000	1914	1,371,100
		Decrease	268,874

Oats.	Acres.		Acres.
1911	1,221,217	1916	1,746,500
1912	1,461,000	1911	1,221,217
1913	1,639,000		
1914	1,502,000	Increase	525,283
1915	1,822,400	1911	1,221,217
1916	1,746,500	1914	1,502,000
		Increase	280,783

Barley.	Acres.		Acres.
1911	164,132	1916	281,400
1912	187,000	1911	164,132
1913	197,000		
1914	178,000	Increase	117,268
1915	305,800	1911	164,132
1916	281,400	1914	178,000
		Increase	13,868

Flax.	Acres.
1916	81,000
1911	107,171
Decrease	26,171

	Acres.
Total wheat	469,026
Total oats	525,283
Total barley	117,268
Increase	1,111,577
Decrease flax	26,171
Total increase	1,085,406

The total increase from 1911 to 1914 inclusive, is 563,525 acres. Increased acreage in the year 1915 is, I believe, to be accounted for very largely by the response of the farmers of the Northwest to the appeal for a greater production of food. In 1915 there was a larger crop all over the provinces, when wheat prices were low. In 1916 there was a big price, but the wheat was a failure in Manitoba because it was attacked by black rust, and a like condition prevailed in a large part of Saskatchewan. It was only in parts of that province that they had a fair crop. In Southern Alberta they were fortunate in having a very large crop and they enjoyed the benefit of greatly increased prices. These were practically the same people who about two years previously had to receive relief from this Parliament to the extent of a loan of nearly $13,000,000 because of the total failure of their crop, as a result of which they had nothing to eat. A great deal of this money was advanced for the purchase of provisions, but these people had the courage to remain there and give the country another trial, and they have received their reward. They have had two good crops since that time, and while they received a low price in 1915, they enjoyed a large price in 1916. But I would like to point out to the House that the total average price received by the farmers is not as great as it is believed to be by some people. The average includes the product of the farm of Mr. Noble, who has been quoted so often as having a thousand acres in wheat producing 54 bushels to the acre and selling at $1.87 a bushel. As I shall show later, the average price of wheat for the whole province, including that realized by Mr. Noble, is nothing like that figure.

The effect of the adoption of the amendment proposed in conjunction with a plan that I have for land settlement, and which I hope to submit to the House at the earliest opportunity, would, I believe, very much increase the population by offering greater inducements to people to settle on the land and would increase production to a large extent. But, there is one matter that I wish to speak about. We are often told that we should not complain when we are getting $3 a bushel for our wheat, and that we hardly know what to do with our money in the West. But, I want to show that the farmers are not receiving $3 for wheat or anything like that. In my own case, in 1915, I had a pretty large crop. I sold my oats for 26, 28 and 31 cents by the carload. I kept my wheat over until last year, and I was very glad to get $1.23 a bushel for it. It was good wheat, too. I did not receive $3. I do not want $3 a bushel for my wheat, if it is going to force the consumer to pay $7 or $8 a bag for his flour. This great difference between the price that the farmer receives for his wheat and the price of flour is occasioned by circumstances entirely beyond the control of the farmer. I have a few comparative figures on this subject. From the Fort William price of Saskatchewan grain we have to deduct 11 cents for wheat,

7 cents for oats and 9 cents for barley, taking my own shipping point for example and the charges are much more for points farther west.

Mr. NESBITT: What is the deduction for—freight?

Mr. MACNUTT: We pay 16 cents per hundredweight, freight, one cent per bushel for handling charges and commission. If we hold the grain over it is a cent a month for elevator charges. We averaged from 1910 to 1914, including same, 74 cents a bushel for wheat. 54 cents was the lowest and 69 was the highest outside of 1914, but in 1914 the price was $1.48. That price was occasioned by the light crop we had in the West. Including that $1.48, the average for those years was 74 cents a bushel. In 1915 it was 81 cents a bushel. That was the year of the big, high-grade crop of grain. In 1916 the price was $1.28 a bushel due to the poor yield and low grade resulting from an attack of black rust. Prices were good though, even for poor wheat. But the yields were so very small except in spots, with the exception of southern Alberta, that the farmers did not get anything like what they were supposed to have got, and they are certainly not responsible for the increase in the price of flour to the consumer.

Oats averaged at Fort William from 1910 to 1914, 29 cents a bushel; in 1915, 28 cents a bushel, in 1916, 46 cents a bushel. Had it not been for our oat crop in Saskatchewan a good many of us would have been pretty nearly on the rocks, so far as farming is concerned.

Barley averaged, from 1910 to 1914, 38 cents a bushel; in 1915, 43 cents a bushel; in 1916, 77 cents a bushel.

Flax averaged, from 1910 to 1914, $1.09 a bushel; in 1915, $1.50 a bushel; in 1916, $2.23 a bushel.

I am not complaining, but I want to show that there is no reason for the statement that the farmers are receiving abnormal prices for their wheat, that everything is going well and that they should not make any complaint but should be satisfied with what they are getting. I am not advancing these arguments for the sake of individual farmers, but because I believe that some changes along these lines should be made. We have the country, we have the land, and what we must do is to have the right kind of people go on the land and stay with the country. They will not do that unless it is profitable to do so. However, if this change were made it would mean that sufficient revenue could not be collected through the custom house. The people of this country must pay the cost of running the country. The cost of running the country does not come from any other people except of Canada. They have got to pay it in any case. It is merely a question of the method. I think that the method could be improved, that the country would go forward under a different system, that the people would not feel the burden of taxation to the same extent as it would be equally distributed; and immigrants would not be deterred from coming to the country on account of that burden.

A great many of the articles that now come into this country do not yield very much revenue to the Government. They yield an enormous revenue, however, to the manufacturers. The question is, is the country to continue paying tribute to the manufacturers? I do not think the people can afford to do both, not only pay the taxes necessary to run the country and defray the expenses of the war but also enrich the manufacturers and put them into the bulky millionaire class. We know something of their position, and we have a right to draw the conclusion that many of them, particularly the makers of agricultural implements, could do without the enormous protection which they enjoy. They are selling, and under-selling their rivals, in foreign markets. Surely if they can under-sell their competitors in foreign countries they can do so in this country!

I have already said that there is one feature of this resolution that I should like to have altered, and no doubt if it were adopted it would be altered; that is that there should be a provision that the manufacturers should get their raw material free if they were required to lose their protection on the finished articles. The best alternative would be direct taxation in some form or other. Under the customs system, the duty is paid by the consumer. If the importer, in the first place, pays the duty on a foreign-made article, he passes that charge on to the wholesaler and he to the retailer; the retailer passes it on to his customer, and it is ultimately paid across the counter. Many of the people hardly know that they are being taxed. At the same time they are taxed very heavily. If the goods are not made across the line or in some other foreign country, the wholesaler pays the tribute to the manufacturer and it is eventually passed on, in the same way, to the consumer. Therefore, the consumer is paying not only the taxes to keep up the Government institutions and bear the bur-

dens that we all expect to bear but also immense sums in tribute to the local manufacturers.

I have been accused of being the first member to propose direct taxation in this House, in connection with the Budget speech two years ago when the Minister of Finance introduced his so-called war tax of 7½ per cent. Whether that is so or not, I certainly believe it is the proper and only fair method of collecting taxes to run this country. It is the principle that is followed by financial institutions and is the business method; and I do not see why the whole country of Canada cannot be administered along common sense lines. If the population increases, as I believe it will if proper inducements are held out to them, we would not only have more people but a more prosperous people to bear all these burdens; and there is no doubt that they would bear them willingly and without complaint as long as they knew they were only paying their share.

Referring to the income tax, I have heard it suggested that men receiving under $4,000 should be exempted from income tax. I think that any man who is earning any money at all, whether he is earning $2,000 or $4,000, is paying a heavy tax under present conditions. I do not see why any man should be exempted from income tax; he is a citizen of the country, no matter what his income may be. But the tax should be proportionate. Under such a system as I propose, every man would be relieved of a great many burdens, and probably a dollar earned under this system would be equal to one dollar and twenty-five cents with our present system of protective duties, and a man could then well afford to pay, say, five cents or so directly out of each dollar of his income towards keeping up the institutions of the country. As a citizen I think every man has a duty to do so, unless you come down to the very poor who are practically, to some extent, subsisting on charity. Under present conditions, every man who buys anything to-day is paying either a tax to the Government indirectly or a tribute to the manufacturer, and if he is relieved of these imposts he can well afford to pay a small portion of his income towards keeping up the institutions of the country. I feel that this is a very important matter indeed. I am not talking simply because I happen to be a farmer from the West, but I am looking at it from the standpoint of the necessities of the country and the welfare of the whole empire. I believe that, notwithstanding the arguments advanced against it which we have heard before, although they have not impressed me as being very good arguments, the best and proper method of obtaining funds from the people of Canada to keep up our public institutions, pay off our public debts, and so on, and to develop the country, would be to levy direct taxes of some kind that would be proportionate according to the ability of each citizen to pay. Feeling this way, I have no hesitation in saying that I will support this amendment.

Mr. D. B. NEELY (Humboldt): Mr. Speaker, I am aware of the fact that a discussion on the tariff is, perhaps, not as interesting as other discussions which the House will listen to in the near future, but I have no apology to make for taking up a few moments of the time of the House in supporting the amendment proposed by the hon. member for Edmonton (Mr. Oliver). Some of the domestic problems which press upon our attention are, perhaps, as important as the furnishing of additional troops for service at the front. This great war has added new and very heavy responsibilities to Parliament and to this country, particularly by reason of the enormous debt that has been created and that will be created before and after the conclusion of the war. These responsibilities must be bravely met and squarely faced by the people, and it is not with any desire to make a special plea for the lightening of the lawful burdens of any section of the people that I give my support to an amendment which calls for a reduction of duties along certain lines. But Canada's present and future responsibilities must be met in a fair and equitable way; the burden of taxation should not press unduly upon any particular class of our population. The basic industries of Canada—mining, the development of our forests and fisheries, and so on—will have to produce the wealth necessary to meet the enormous obligations resting upon this country now and which will rest upon it in the future. Only by the development of her basic industries will Canada be able properly to bear the burden of meeting these obligations. I shall confine my remarks more particularly to the one great industry of Canada, agriculture.

In normal times agriculture is regarded as an occupation not as attractive as many others. Even in times of peace, one of the great difficulties of this country, which is so admirably suited to agriculture, is to get our young men to stay on the farm rather

than go to the crowded town or city. That condition will be accentuated after the war is over. The soldier who has become accustomed to community life in his experience overseas will not be easily induced to go upon the land. The only remedy for this condition is to make farm life so attractive that not only the people at home, but many of our soldiers after their return from overseas, may be induced to go upon the land and thus increase the production of natural wealth which is so necessary to enable us to meet our responsibilities.

Two or three things are essential to make farm life attractive. I may be uttering platitudes when I speak about these things, but it is necessary that they be emphasized again and again. First, if we wish to make agriculture an attractive occupation for the young men of our country, both those at home and those now overseas, we must make it profitable. That, after all, is the one great thing. In normal times the acquiring of great wealth on the farm is the rare exception. The farmer who succeeds in meeting the ordinary obligations of life and in giving his family an education and a fair start in life is counted as a very successful man, from the standpoint of the agriculturist. These suggestions are not made with a view to having the farmer become a member of the millionaire class. Speaking more particularly for the newer parts of Canada, I can say that the average farmer finds his hands full in endeavouring to make both ends meet—and in a great many cases he is unable to do even that.

4 p.m.

If farming is to be made more profitable than it is at present there are two or three things that must be done. In the first place, it is the duty of this Government and of this Parliament to see that the cost of production is made as low as possible. The second section of the amendment deals with that when it says:—

> 2. That farm implements and machinery, farm tractors, mining, flour and saw-mill machinery, and repairs for same, rough and partly dressed lumber, illuminating, lubricating and fuel oils, cement and fertilizers be added to the free list.

No one can fairly say that it is just that the farmers, in the matter of the cost of production, should be placed at a disadvantage in comparison with the farmers of the great republic to the south. We know perfectly well, however, that they are placed at such a disadvantage in that they have to pay very much higher prices for the tools, so to speak, of their trade, and that is the direct result of the tariff imposed upon farm machinery coming into this country. The farmer of any part of Canada, when he advocates that farm machinery be placed upon the free list, does not thereby exclude himself from the list of the taxpayers of this country, because the farmer wears clothing, boots and shoes; he buys furniture for his house and harness for his horses, and on all of those things he must pay a tax, because, whether they are manufactured in Canada or in other countries, the tariff increases the cost to the purchaser. Therefore, like the rest of us, the farmer, even if farm machinery be put on the free list, will continue to contribute his fair share towards the maintenance of the revenues of the country. But when you come to tax the tools of the farmer's trade, that is to say, to put a heavy tax on farm machinery, then you are doing an injury, not to the farmer alone, but to the whole country, in that you are discouraging men from engaging in an occupation which we all believe to be, after all, the foundation of the future greatness and wealth of this country of ours.

We must cheapen the cost of production; we must also furnish the farmer with wider markets for the products of his farm, and in this connection I must express my very great pleasure at the action that has been taken by the Government in placing wheat and wheat flour on the free list. That has been done as a war measure, it is true, but nevertheless we believe the measure will be a permanent one, because I am sure that once the farmers of the country have enjoyed the benefits of wider markets, they will never willingly give them up, and there will be a very strong protest if any attempt is made in the future by any political party to take away this privilege. It is questionable how much direct benefit will accrue in the near future to the farmers of the country from that action, but even at the present time I am sure that the western farmer who had last year a very considerable quantity of the lower grades of wheat in his granary or in the elevators awaiting sale, will find that he has derived very great benefit. The permanency of this measure is one upon which I would very much like to insist. Wheat and wheat flour have been, as I have said, put upon the free list by Order in Council as a war measure, and I am happy to say that so far no great harm has resulted to other industries in this country from the Government's action in this respect. It is true there was a little flurry amongst the millers who made some slight protest to the Government in con-

nection with its action in this matter, but I am sure there is no question in the mind of any member in this House that any real or lasting injury has been done to the milling industry of this country by the placing of wheat and wheat flour on the free list. In any case, it is surely true that the man who grows the wheat should be the man fited by having free markets for wheat or kind, and it is the most idle thing to argue in this House the question as to whether or not the western farmer would be benefitted by having free markets for wheat or wheat products, when the western farmer himself is fully convinced that he would so benefit. Surely he is the best judge, and surely if he says that he fears no competition from the wheat producers of any other country and that all he requires is reciprocity in the matter of the products of his farm, his judgment, as a man watching the markets of the world and knowing the value of his product, should take precedence over that of any other person, and his decision in the matter should be final so far as this Government, this Parliament and this country is concerned.

Another reason why I am glad to see the action taken by this Government in this matter is that, in my judgment, the placing of wheat and wheat flour on the free list is going to assist very materially in removing that situation that has in times past arisen not once but many times so far as the transportation of our farm products is concerned; that is to say, if the farmer is to get the best result from his toil, he must be able to market his product at the time most suitable to his own convenience. In the past that has not been the case; the farmer has had to suit his convenience to that of the transportation companies. We have a congested condition of traffic that means that the farmer who is ready to market his crop in a slack season of the year is not able to do so and has to wait sometimes for weeks and even months by reason of that transportation congestion. Now that wheat and wheat flour have been placed on the free list, that condition will be enormously relieved, in that, if the terminal elevators at Fort William and Port Arthur, the Government interior elevators and the private elevators elsewhere throughout the country are congested, I trust that we shall never again see that anomaly of our freight cars, not a few but hundreds and hundreds of them, that have brought settlers and their effects into western Canada during the early months of the year, going back to the United States without a single pound of freight. That has happened time and again in this country, and it was most aggravating to the farmers who were crying out for transportation facilities to see empty cars going across the International boundary simply because of the tariff on farm products. But fortunately, the congestion can never become so acute in the future by reason of the placing of wheat and wheat flour on the free list. The storage facilities of the great milling interests to the south will be available, and our railways running from western Canada into the United States will be able to relieve the congestion that hitherto has prevented our farmers from marketing their grain at the proper time.

The farmer is not averse to paying his fair share of the revenue of this country, but we all know very well that a protective tariff is not an equitable way of obtaining revenue. Something may be said perhaps in favour of a tariff based on revenue necessities, but no just argument can be made in favour of a protective tariff, because under a protective tariff a large part of the extra taxation that is borne by the people does not go into the treasury, but into the pockets of the interests receiving that protection. It will, however, be the policy of this country probably for many years to come to maintain a tariff for revenue purposes; probably we cannot get away from that. But a tariff for revenue, as I understand it, means the difference between the cost of production on the south of the line as compared with the cost of production of the same article on this side of the line. When you go beyond that, you are protecting an interest; it is not the public or the treasury that gets the benefit, but simply and solely the protected interests.

Clause 3 of the amendment of the hon. member for Edmonton, which seeks to have staple foods and food products, etc., come into Canada free of duty, touches a question that is vital to the hearts and minds of the people of this country at the present time. Coming back to this country only a few months ago from overseas, where the people are supposed to be on the brink of a food shortage, and where prices are considered extraordinarily high, it was a very great shock to me to find how high the prices of food products had gone in this country, which is supposed to be a country of production above anything else. It is a marvel how many thousands of people in this country are able to exist to-day in view of the prices they have to pay for every single

article of food that goes on their table. If a wounded soldier returns to Canada, and is classed as 100 per cent incapacitated, he gets a pension of $480 a year. He is unfit to earn a living, and is supposed to keep himself and his family on that $480. Just think of the prices he has to pay right here in the city of Ottawa for everything he puts on his table: 50 cents a pound for butter, 50 cents a dozen for eggs, $4 to $4.50 a bag for potatoes, and so on. In view of these prices, does any one think that a returned soldier, out of business so far as earning his own livelihood is concerned, can live actually live on $480 a year? What is the reason for these high prices? Are prices high because there are no eggs or potatoes in this country? Are we paying 50 cents a pound for butter because no butter is to be found in this Canada of ours? Is the extraordinarily high price of meat due to a scarcity of domestic animals in this country? I have not had occasion to visit any of the cold storage plants in this country, but I imagine if one were to make a tour of inspection of them he would soon discover that there was no very great shortage of the food that the people require for their table. The fact is—I think we all know it; it is a conviction in the minds of the people, at any rate—that the men who deal in food products in this country are storing up food products, using the war as an excuse for so doing, in order that they may charge high and yet higher prices. Somebody may say: You advocated high prices for wheat, you want the farmer to get a good price, yet you complain about the high price of flour. Yes, there might be some contradiction there, if there were any equitable ratio between the increased price of flour and the increased price of wheat, but we know perfectly well that there is not. We know that if wheat is selling on the exchange at $3 a bushel, that is by no means the price the farmer gets for it; it is not the price the millers of Canada paid for the millions of bushels they now have in storage in their elevators throughout this country. But immediately the price of wheat jumps on the exchange up goes the price of flour, although the miller who is boosting the price of flour has in his possession at that very time wheat that cost him, not $3 a bushel, but perhaps not more than half that amount. If the price of wheat on the exchange were to drop from $3 to $2 to-morrow we know perfectly well there would be no such corresponding drop in the price of flour.

It has never been so; it is not so now. Something has to be done to meet the situation. We believe that when this war is over conditions in this regard may possibly be very much worse than they are to-day. We have our favoured class of workers, those in the munition factories. These people are getting high prices for their labour and consequently are able to bear the present high cost of living. But I ask you, Mr. Speaker, what about the soldier's dependents? We know what the pay of the ordinary soldier is—it is $1.10 a day. If he assigns half his pay, that much goes to his family, and they also get $20 a month of separation allowance from the Government and then a much smaller contribution from the Patriotic Fund. But add all these together, and consider the case of a soldier's wife with several children living in this city, or in Montreal, or in Toronto, or in Winnipeg. Ask yourself how are our soldiers' families actually living, or existing, in view of what they have pay for rent, for clothing, for food, and for everything else.

It is to be presumed that, unless something very radical is done, the cost of living will not be lower than at present, and may be greatly increased. But, immediately the war is over, there is going to be a great re-adjustment of industrial conditions. Munition factories will be closed, and their highly-paid workers will have to seek other employment. Wages are going to drop more to the normal level of the times before the war, but the cost of living will remain high for some time to come. Is not this a vital question, to be considered right now by the Government, and the Parliament, and the people of this country? I say quite frankly that I have very little faith in legislation or legislators as a means of breaking up these food combines that, we believe, now exist. There is only one way in which they can be broken up, and that is by competition, by allowing food products, as the amendment says, to come into Canada free of duty.

Mr. WRIGHT: The hon. member has dwelt especially on the prices of flour. He also says that to allow the free entry of goods will reduce the prices of those goods. Flour is now on the free list, yet the hon. gentleman complains of the high prices. How does he propose to deal with this particular evil?

Mr. NEELY: It is only a few weeks since flour was put on the free list, and so there has not been much time for results. It

must be remembered also that since this change was made the United States of America have gone into the war, and similar conditions prevail over there to those that prevail here with regard to the price of flour. But I am speaking not only of war time but of the time to come when we shall tend again towards normal conditions. Placing wheat flour on the free list will, in my opinion, have great effect in reducing the price. For my hon. friend from Muskoka (Mr. Wright) knows very well that the people of Canada in pre-war times paid more for their flour than did the people of the adjoining states of the Republic.

Mr. WRIGHT: I do not know that.

Mr. NEELY: I am satisfied I am correct in that assertion. But wheat flour is not the only item. How about eggs, butter, meat and other products? We have other countries to draw upon for these things, which countries, at present, like ourselves, are engaged in war; but I confidently assert that the free exchange of food products between Canada and these other countries as indicated in the amendment, will have the effect of breaking up food combines in this country.

But, even assuming that I do not offer the right remedy, yet we must admit that we are face to face with a condition that must be dealt with. We are not going to pension our returned soldier at $480 a year and expect him to pay present prices for all that he has to buy. If the Government by legislation can effect a remedy, it is time the Government were taking the necessary steps to that end. For, as we see it, conditions are not improving, but are rapidly growing worse in this regard.

I support the last clause of this amendment also, but in a less whole-hearted way than I support the clauses which precede it. This last clause deals with the British preference, and the proposal of the hon. member for Edmonton is that this preference shall be increased to fifty per cent of the tariff. This principle of preference to imports from Great Britain is one which this House adopted years ago, but the fixing of the rate at the definite figure of fifty per cent is necessarily somewhat arbitrary. I presume, however, that if we are to deal with the subject at all, some figure must be agreed upon. Perhaps this is a subject that might very well be considered to greater advantage in the days to come, when the trade relations between the different parts of the Empire will undoubtedly form one of the great questions to be considered by the statesmen of Canada, the other self-governing dominions and the Mother Country. So far as this particular part of the amendment is concerned, while I give my support to it, I do it with that idea in mind—that, if the principle is to be maintained, perhaps this particular percentage is not too great a preference to give to goods coming into Canada from Great Britain.

In concluding my remarks, I feel that every one in this House is seized of the important problems that present themselves for our consideration at the present time and the very great responsibility that rests upon the Government of this country. Government, in ordinary times, is not the easiest thing in a democratic country where free discussion is the order of the day. Anything I have said to-day has not been in the spirit of adverse criticism of the Government but simply to call attention to certain conditions that actually exist and to urge upon the Government and Parliament the necessity of taking action in dealing with the same. I know that the farmer of western Canada does not get very much sympathy these days because of the comparatively high price that he is getting for his products. But, Sir, I have seen the same farmer in the lean years gone by when he should have had a good deal more consideration than he actually got from this Government and this Parliament. It is in view, not merely of present conditions, that I support this amendment, but the conditions to be provided for, of the conditions of the future. The Government are proposing some new legislation to deal with the question of the returned soldier and to provide for placing him on our western Canadian land; I presume that is where they intend to put him because they have not any land anywhere else and they are going to take ours in the western provinces. Under the very best of conditions and circumstances, they will find great difficulty in carrying out this project. Under the very best of conditions, as they have been in the past, we have found it very difficult. We have had to spend great sums of money to get people from other countries to come and settle on our splendid agricultural land. We have had to give a free bonus of 160 acres of the finest agricultural land lying out of doors anywhere. These conditions are rapidly passing away. We have not the free homesteads in the same abundance that we had

in former days. The best of them have been taken up. You cannot go to Manitoba, Saskatchewan, or Alberta, and find first class homesteads nearer than 10 to 15 miles of the railway. You have to go beyond that if you want to secure Government land for future homestead settlement. These are the conditions that you are face to face with. I will venture to prophesy, and I am neither a prophet nor the son of a prophet, that the Government land settlement scheme for soldiers will absolutely fail unless the Government undertake to make farming conditions a great deal more attractive in our western provinces than they are at the present time. We hope to attract an increased population to Canada after the war for the purpose of settling on our agricultural lands in the West and for the purpose of increasing agricultural production so that we may be in a position to meet our enormous war bills. But, I venture to say that we will have an insurmountable, an impossible, task on our hands if we hope to secure that immigration or settlement and allow tariff and transportation conditions to remain as they are at the present time in this country. For that reason, and in order that the agricultural and other natural resources may be developed, in order that our returned soldiers may be induced to go on the farms, in order that a first class immigration may be attracted to this country and in order that Canada's future may be assured, I am here to-day to support, and I am prepared to vote for, the amendment proposed by the hon. member for Edmonton.

Mr. OLIVER: In accordance with an arrangement with the leader of the House, I beg to withdraw the amendment on the understanding that it will be moved again in due course on Tuesday.

Sir THOMAS WHITE: The understanding is that on Tuesday the hon. gentleman (Mr. Oliver) may restore the motion which is now withdrawn so that this debate will be in precisely the same position as it is now.

IN COMMITTEE OF SUPPLY.

Amendment (Mr. Oliver) withdrawn and House went into Committee of Supply, Mr. Rainville in the Chair.

Mr. MARCIL: Before an item is called, perhaps the Minister of the Interior (Mr. Roche) would allow me to ask him if he has had any report with respect to a difficulty on the Caughnawaga reserve near Montreal. I saw in the Montreal papers a couple of days ago that some difficulty had arisen there in regard to the exchange of a piece of land for a school building. Has the minister any information with regard to that?

Mr. ROCHE: The only information I have is that which I obtained from an article appearing in La Patrie to-day. The information was only placed before me at noon and I sent it down to the department to get a report. I have heard that there was a disturbance on the part of certain of the Indians who objected to this land being utilized for the purposes of building a school. I gave instructions that, if it was believed there was anything in this article, to have an officer sent down to inquire.

Mr. MARCIL: I conclude that it is not very serious because otherwise the department would have heard of it.

Mr. ROCHE: No, we did not have anything brought to our attention.

Department of the Interior—Scientific institutions—Astronomical surveys—Investigations and demarcations, etc., including expenses of Dominion Astronomical Observatory at Ottawa and branch at Saanich Hill, B.C., and $1,000 to J. J. McArthur, as International Boundary Commissioner, $197,500.

Mr. OLIVER: What is the situation in regard to international boundary surveys now?

Mr. ROCHE: The international boundary surveys are drawing to a close. There is yet some work to be done on the Ontario-Minnesota boundary, according to article V of the treaty. The field work undertaken by the British Commission on this section of the line was finished during the past season. It has been decided, however, to improve the triangulation across the lake of the Woods. This will be undertaken by the United States Commissioner, and the Canadian Commissioner will co-operate to the extent of furnishing a motor boat and three men.

Then there is the Quebec and Vermont State line. Though the actual demarcation was completed in 1907, it was found necessary and agreed to, between the former Commissioners, "that a controlling triangulation should be executed along the 45th parallel from Hall's stream to the St. Lawrence river, and that the country along the portion of the boundary of New York state should be mapped." This item is to pay the expenses of a survey party to be employed in the execution of such a controlling triangulation, from Hall's stream to the Richelieu river, a distance of 80 miles.

Then there is the Quebec-Maine boundary under article III of the treaty of 1908. This article provides for the re-survey of the boundary from the source of the St. Croix to the St. Lawrence river. This section has all been completed with the exception of a comparatively small portion of so-called high lands boundary along the eastern side of the townships of Beauce and Frontenac.

Then there is the St. John and St. Croix rivers survey under articles III and II, for recovering, replacing and tying in of the original boundary reference marks of 1843-5 along the St. John river, and also to assist in executing certain topograph mapping, monumenting and triangulation along the St. Croix river from its source to Baring, Maine. This work along the New Brunswick-Maine boundary is to be undertaken by the United States Commissioner, and the Canadian Commissioner proposes sending a representative, with one man, to co-operate.

Mr. TURRIFF: As these surveys are made, are they definite and final? We have been paying hundreds and thousands of dollars every year for these boundary surveys, and we never seem to be coming to an end. Would a survey made five years ago on any part of that line be definite, or do we have to keep going over it every year and voting these hundreds of thousands of dollars for these surveys?

Mr. ROCHE: No, this is the last and final survey. I think there is altogether about ninety-eight miles to complete, and that will wind up the survey part.

Government of the Northwest Territories—Salary of Mr. Fred. White as Commissioner, $1,000.

Mr. TURRIFF: I was under the impression that Mr. Fred. White was superannuated.

Mr. ROCHE: He has been superannuated from his former position in the Northwest Mounted Police, but he has been retained as governor of the Northwest Territories.

Mr. TURRIFF: Is it customary, when a man has been superannuated as being too old to carry on his work in one position, to retain him in another position?

Mr. ROCHE: He was employed at this work, but he was also employed in the Northwest Mounted Police. The duties in connection as governor are not of a very onerous character.

Schools, $3,000.

Mr. TURRIFF: Where are the schools referred to in this item, located?

Mr. ROCHE: The Sacred Heart, Fort Providence; St. Joseph, Fort Resolution; Herschell Island; Fort MacPherson; Hay river; Fort Simpson.

Department of the Interior—Administration of the Yukon Territory, $320,000.

Mr. MACDONALD: How much is the Yukon costing?

Mr. ROCHE: $320,000 is the Estimate for this year, a reduction of $30,000.

Mr. TURRIFF: Are there not some other items in connection with the Yukon?

Mr. ROCHE: Not in this department. They would be in the Justice Department.

Mr. TURRIFF: Could my hon. friend give the committee any idea of the total cost of the government of the Yukon?

Mr. ROCHE: Offhand, I could not, outside of my own department. There are, of course, certain expenses in connection with the Customs as well as the Justice Department.

Mr. MACDONALD: I went through the Estimates last year and found that very little short of $1,000,000 was being paid by Canada for the 9,000 people, or thereabouts, in the Yukon. That is a huge figure. In going through the various items last year, I did not find that the slightest regard was paid to the changed conditions under the war; everything was being maintained at the same old clip, everything was being done without the slightest regard to any necessity for economy. It simply amounted to this, that it cost about $100 per head to keep those 9,000 people in the Yukon. When the proposition is put in that way it does not look very economical. Could the minister tell us whether there has been any consideration of the Yukon situation? Is the Government taking the matter up with a view to seeing whether some money could not be saved there?

Mr. ROCHE: I can only answer for my own department. I do not know that it is quite fair to estimate the expenses by taking the population and the amount of money expended and comparing them. The hon. gentleman is aware that a staff was placed in the Yukon for the administration of law and order and to carry on the different departments of Government. Although the population has decreased considerably, the people who still live there are a very good class of people—I can vouch

for this, having visited the place during the past year. The Auditor General sends an officer to the Yukon each summer; I instructed this officer when he last went there to report as to any possible reduction or amalgamation of the staff connected with the Department of the Interior. The result has been that I have reduced the expenditure of this department by some $33,000, closed at least two of the mining offices and reduced the amount for the maintenance of roads. The mining in the Yukon is carried on by large companies who require expensive plants and who have to have the necessary roads, bridges and so on. The amount for the Council is the same as it was in previous years. In making a reduction of $33,000, I think I have done as well as I possibly could. I cannot answer for the other departments, but I have no doubt that the question has been looked into by the various ministers.

Mr. MACDONALD: Is anything contributed by the mining companies besides the royalties? In the provinces of New Brunswick, Prince Edward Island and Nova Scotia the amounts paid by way of subsidy in such cases are not nearly as large as the amount paid in the Yukon. I should think it is hardly worth while paying such a tremendous amount for the Government of 9,000 people in order to enable some American holders of mines to take gold out. What were the revenues last year?

Mr. ROCHE: In the neighbourhood of $175,000. In addition to royalties, the gold companies have to pay local taxes to the Yukon Council.

Mr. MACDONALD: These 9,000 people, less the women and children, must have a great time dividing that million dollars.

Mr. TURRIFF: Imagine, Mr. Chairman, spending $120,000 for the executive office in a community of 9,000 people. It is true that there is a reduction from last year, but in view of the enormous decrease in population I think the minister could have cut the amount down greater than he has. The minister does not seem to consider the need for economy. Officials must be dropping out now and then; why does he replace them? Why should some of the staff not be given work elsewhere if it is necessary to keep them on? There is something radically wrong when $120,000 are necessary in connection with the governing office alone. In view of the minister's proposal to make a total expenditure of $1,000,000 in a territory occupied by 9,000 people, the minister should take more drastic steps than he has taken.

Mr. ROCHE: The expenses to-day are much less than they were some years ago.

Mr. TURRIFF: Both population and revenues have decreased.

Mr. ROCHE: The expenditures of this department a few years ago amounted to about $270,000. The insane patients have to be looked after; they are brought down and maintained by government grant in the New Westminster Asylum. Some of the items are as follows: freight and express charges, telegrams, telephones, postage, and so on, $4,520; legal expenses, $2,500; commission to the Royal North West Mounted Police, $2,000;

5 p.m.

expenses in connection with export tax, $2,500; advertising mining regulations, etc., $5,000; printing and stationery, $5,000; travelling expenses of officials, $6,000; insane patients, $12,000; living allowances, $13,500; salaries, $66,980.

Mr. PUGSLEY: Does that include the salary of the commissioner of the Yukon?

Mr. ROCHE: Yes.

Mr. PUGSLEY: What salary does he get?

Mr. ROCHE: $6,000, with an additional $6,000 for living allowance.

Mr. PUGSLEY: Who is the commissioner?

Mr. ROCHE: Mr. G. N. Williams.

Immigration—Salaries of agents and employees in Canada, Great Britain and foreign countries, $580,000.

Mr. CARVELL: Does this vote include the salaries of all the immigration agents scattered throughout Canada?

Mr. ROCHE: It includes all the salaries of all the employees of the Immigration Department in Canada, Great Britain and foreign countries.

Mr. CARVELL: How many immigration agents are in the province of New Brunswick, where are they located, and what are their salaries? The reason I ask is that a number of times within the last year I have been told that there is living in my own town of Woodstock a certain gentleman who, I am informed, is drawing a salary of $2,000 or $3,000 a year from the Immigration Department.

Mr. ROCHE: What is his name?

Mr. CARVELL: Mr. A. W. Hay, and to my certain knowledge he is performing no services for the country. He is a gentleman who has occupied a position with the Government of New Brunswick; he is attending to his own business, which is a fairly important one, and I would like to know from the minister whether, as a matter of fact, this gentleman is drawing a salary from the Dominion Government, and if so, how much?

Mr. ROCHE: I understand that Mr. Hay has been for a few years in the employ of the Dominion Immigration Department and he has been acting in co-operation with the provincial Governments in the colonization scheme they have adopted. I have been given to understand that he has been doing very good work.

Mr. CARVELL: If all the other agents throughout the country to whom the minister is paying salaries, are doing the same quantity of work for the salaries they are receiving as Mr. Hay is doing, then this vote, instead of being $580,000, should be cut down to $25, because Mr. A. W. Hay is doing nothing in connection with the Dominion Government and nothing in connection with the Government of New Brunswick. He was on a board that was called the Farm Settlement Board. They started out with the idea of buying up abandoned farms and bringing in settlers from England, Scotland, and Ireland, but in the first year or two of the appointment of the Board, they brought in probably 30 or 40 persons of this class. Then they started to act as a land office and they used the money of the province in buying a farm from one man to sell it to another. There was also a political consideration. In the last election, to my certain knowledge, they went to men to whom they had sold farms and said to them: Now you vote right or we will drive you off your farms because you are in arrears. I do not believe Mr. Hay has brought a single immigrant into the province of New Brunswick in the last two years. It is a surprise to me and it will be a surprise to a good many people in New Brunswick to learn that this man has been drawing, not only a salary from the Dominion Government but a salary from the Government of New Brunswick, I would like to know how much he has been drawing from the Dominion Government.

Mr. ROCHE: He has been drawing a salary of $1,500 a year from the Dominion Government. As I have said, he has been acting in co-operation with the provincial authorities. Their land settlement scheme was in its infancy about the time of the outbreak of war, and that, of course, gave it a setback as might be expected, but Mr. Hay's services have been continued by the department, although we have dismissed certain of our officials, and I am not aware that Mr. Hay has been drawing another salary from the provincial government.

Mr. CARVELL: Does the minister say that he is proposing to pay Mr. Hay a salary of $1,500 this year?

Mr. ROCHE: Well, we have estimated for that salary for the coming year.

Mr. CARVELL: In that case, I will ask this committee to divide on this proposed vote unless the minister will agree to dismiss Mr Hay summarily.

Mr. ROCHE: The minister does not usually dismiss a man summarily upon the dictation of a member of the Opposition without making some further inquiries, and I think the hon. member will see that it would be unfair to Mr. Hay to do so. I will inquire into the matter, and if the circumstances are as set forth by the hon. member for Carleton, I certainly would not feel justified in retaining Mr. Hay in the employ of the department, if he is being paid by the provincial government and is doing no work.

Mr. CARVELL: He is certainly doing no work; he is drawing a salary.

Mr. ROCHE: If he is doing no work, I would not keep him on the pay-list, but at the same time—

Mr. CARVELL: Is he also receiving anything for expenses, and if so, how much?

Mr. ROCHE: If he has received any, it has been a very small amount.

Mr CARVELL: I would like to know exactly how much, even if the amount be small.

Mr. ROCHE: He received nothing at all for expenses last year.

Mr. PUGSLEY: The minister says that if the circumstances regarding Mr. Hay are as the hon. member for Carleton says, namely, that this gentleman is not doing any work, the minister will not feel disposed to pay him a salary. Will that same remark apply to all the other employees covered by this vote of $580,000, that is, if the minister is convinced that any of them

are not doing any work? I do not think matters of this kind should require to be pointed out by members. Does not the minister keep in touch with his employees in order to see that they are working?

Mr. ROCHE: The minister does not carry on correspondence with all the 500 odd employees of the department. Those who are not at the front are doing good work, but many officials have enlisted and are still receiving salaries. A great deal of extra work that the House does not realize has been thrown upon our immigration officers by reason of the war, in the way of looking after boundary inspection in particular, and assisting the other departments in other work.

Mr. PUGSLEY: How many immigrants came into Canada last year?

Mr. ROCHE: A little over 75,000.

Mr. CARVELL: Will the minister say how many other immigration officials he has in the county of Carleton, where they are located, their names and their salaries? I ask this question for this reason: There was a time when foreign labourers were coming into the province of New Brunswick on account of railway construction, and at that time there were a few immigration agents whose salaries were justified. That, however, is all past and gone now, and I know there are, besides Mr. Hay, two or three other men employed as immigration officials, who, I think, are doing very little.

Mr. ROCHE: Can the hon. member give me their names?

Mr. CARVELL: There have been so many political changes in that country that I have forgotten the names. There is one at Debec, I think. A man died, and I have forgotten who has been appointed in his place, but in the immediate vicinity of Mr. Hay there must be at least half a dozen other immigration officials who are receiving fair salaries but who possibly may be doing something. I quite understand there may be some justification for these others, but for Mr. Hay there is absolutely no justification whatever except to furnish a good fat salary for a very earnest political worker for the Conservative party. I do not think this country in its present condition can afford to pay salaries of $1,500 a year to friends of the political party of my hon. friend for doing nothing.

Mr. ROCHE: The hon. gentleman must be misinformed—

Mr. CARVELL: I am not misinformed.

Mr. ROCHE: With the exception of Mr. Hay there is no other official in the county of Carleton in the employ of this department.

Mr. CARVELL: No others? I think there must be.

Mr. ROCHE: My information is that in the county of Carleton there are no other paid officials of this department.

Mr. PUGSLEY: What efforts, if any, have been made during the past year to secure immigrants from the United States? Has the minister made any trips to the United States in connection with immigration?

Mr. ROCHE: We have carried on a very active propaganda in the United States above all other countries. A year ago there was an active campaign in the press of the United States to prevent settlers from coming to this country. Conditions in Canada were misrepresented. It was stated that settlers who came over here would be enlisted in our army, that that was why we were anxious to get them over here, that they would be taxed to death by reason of the war, and that there were such heavy land taxes in the western provinces that it would be unwise for any settlers to leave the United States for Canada, particularly as certain of the states had enlarged the homestead allotments from 160 to 640 acres, though this was generally in the case of inferior land. It was, therefore, considered advisable to have a conference of all our immigration agents in the United States. They met at Chicago, and I attended personally. Before going I invited the premiers of the three western provinces to attend, and each of them were represented at the conference. We discussed immigration matters, found out the exact nature of the propaganda that was being carried on in the United States, and determined on active steps to combat it.

Mr. PUGSLEY: What steps did you take?

Mr. ROCHE: We carried on an extensive publicity campaign in the press of the United States. Their papers were very fair, and many of them were willing to insert articles giving the actual facts. We also carried on a more extensive advertising campaign than ever before, with such good results as to bring forth encomiums from the premiers of the western provinces, who personally complimented the department on the work we were doing. They realized that the slump in immigration from the

United States was not due to any lack of interest or activity on the part of the Dominion Immigration authorities. We secured 75,000 immigrants last year, as compared with 48,000 the previous year, and of that 75,000, 61,000 came from the United States. Our campaign is still having good results, because the immigration during the present fiscal year has increased from 50 to 75 per cent, and from some of the States by 100 per cent. Considering that the war is on, I think we are getting quite a large number of immigrants from the United States.

Mr. PUGSLEY: That is the best country to obtain immigrants from at the present time?

Mr. ROCHE: Yes.

Mr. PUGSLEY: Will the minister state what means were adopted in the United States to prevent settlers from coming to Canada? What steps did the minister take to reassure intending immigrants about enlistments?

Mr. ROCHE: I think the hon. gentleman is quite aware what steps we took, because the papers were all brought down.

Mr. PUGSLEY: I do not remember. I saw statements in the newspapers.

Mr. ROCHE: In January or February, 1916, I contributed a letter over my signature stating that there was no conscription in Canada, that the Government did not think it either necessary or advisable, and that even if it should be resorted to, it would not apply to American citizens. This letter was spread broadcast throughout the United States.

Mr. PUGSLEY: They would not be liable to conscription if they became British subjects?

Mr. ROCHE: I did not say that.

Mr. PUGSLEY: They could not take up homesteads unless they were British subjects.

Mr. ROCHE: Oh, yes, but they would not be able to secure the patent. They could become British subjects before the end of the three years.

Mr. MARCIL: Were there any restrictions in regard to the nationality of these settlers from the United States? Were people of enemy birth or origin admitted?

Mr. ROCHE: We exercised discretion in that matter. We do not allow men of German nationality to enter Canada.

[Mr. Roche.]

Mr. MARCIL: What about men of German origin who have become American citizens.

Mr. ROCHE: We should not debar them if they were American citizens.

Mr. MARCIL: The suggestion has been made in this House to disfranchise those of enemy origin.

Mr. ROCHE: Has the Government proposed that?

Mr. MARCIL: I understand some hon. gentlemen have suggested it.

Mr. ROCHE: I cannot help that.

Mr. PUGSLEY: The gentleman (Mr. R. B. Bennett) who made the proposal to the House is reported to have gone to the United States some months ago, as Chairman of the National Service Commission, and to have succeeded in getting quite a large number of Americans to come over here to assist in farming operations. As the hon. member for Calgary (Mr. R. B. Bennett) is not present, perhaps the minister could tell us the results of his mission.

Mr. ROCHE: The chairman of the National Service Commission co-operated with the provincial governments and with our department in order to meet the demand for farm labour. We knew that a very large number of farm labourers would be required, and that it would be impossible to get them in Canada. So, acting in co-operation with the provinces, we added to our staff for the time being just the same number of men as the respective provincial governments appointed; for instance, Manitoba sent six agents to the United States, and we sent an equal number; Saskatchewan sent over ten, and we sent over ten; Alberta sent over six, and we sent over six. The campaign, I am glad to say, was successful in bringing in all the help that was desired. Between 8,000 and 9,000 men came in, and they were distributed over the different provinces through agencies appointed by the provincial governments. We had to issue instructions some time ago recalling our men, as the provincial governments had notified us they had all the labourers they wanted.

Mr. PUGSLEY: Were these labourers brought in temporarily, or have a number of them become settlers?

Mr. ROCHE: A number of them have no doubt returned, but we hope and expect that a number of them will become permanent settlers.

Mr. PUGSLEY: Has the minister any of the literature that was distributed when that campaign was on in conjunction with the National Service?

Mr. ROCHE: The papers were brought down and laid on the Table, at the request of the hon. member for Pictou.

Mr. PUGSLEY: All the literature?

Mr. ROCHE: Yes.

Mr. PUGSLEY: My hon. friend advertised in the United States for farm hands. Have these papers been brought down?

Mr. ROCHE: The advertisements were.

Mr. LEMIEUX: How many farm hands were got?

Mr. ROCHE: In the neighbourhood of 9,000.

Mr. OLIVER: How were they distributed?

Mr. ROCHE: Alberta got approximately 3,500, Saskatchewan 4,700, and Manitoba 800.

Mr. PUGSLEY: Do I understand the minister to say there are no restrictions as regards the nationality of these people?

Mr. ROCHE: Oh yes. Positive instructions were given to admit no one of enemy nationality.

Mr. OLIVER: Were there restrictions as to people of enemy origin?

Mr. ROCHE: If the person of enemy origin had become an American citizen, we admitted him.

Mr. TURRIFF: Were the agents that the Dominion Government appointed for this special work regular employees of the department or new men?

Mr. ROCHE: Some of them were on our permanent staff. Others were nominated by the National Service Commission; they were hired for one month only.

Mr. TURRIFF: When their work was over did they remain in the department?

Mr. ROCHE: No.

Mr. OLIVER: I should like the minister to state what inducements he offered to these immigrants in the way of taking up homesteads.

Mr. ROCHE: Any of these farm labourers from the United States could take up a homestead under our regular homestead laws. The only concession we granted was that the time spent as a farm labourer in Canada this year would be counted as residence upon a homestead.

Mr. MARCIL: Has the minister had a table compiled showing how many of these men were of enemy origin or nationality?

Mr. ROCHE: We did not keep tab on that, except by judging from the names.

Mr. MARCIL: Has the minister had occasion to read the Duke of Connaught's farewell address to the Canadian Club, in which he said the future of Canada rested with the importation into this country of people of British stock?

Mr. ROCHE: I heard it and read it with a great deal of acclaim. As the hon. member for St. John has said, the United States is practically our only field for immigrants at the present time I am sure the hon. member would not wish us to deny entrance to Canada to citizens of the United States, which is now one of our Allies?

Mr. MARCIL: Are any efforts being made to secure a larger immigration from the United States?

Mr. ROCHE: We have been carrying on a most active propaganda in the United States. We have had very little immigration from overseas since the war began.

Mr. TURRIFF: According to the minister, the chairman of the National Service Commission took an active part in securing these farm labourers from the United States. Many of these men were no doubt of enemy origin. The chairman of the National Service Commission is also a prominent member of this House, and only a few days ago he expressed the view that these people should be disfranchised. Does the minister think it is fair that the chairman of the National Service Commission should go over to the United States and induce American citizens of enemy origin to come to Canada and then advocate in this House that even if they become British subjects the franchise should be taken from them. That seems to me to be working at cross purposes altogether, and I do not think it will work out well. Was the hon. member for Calgary speaking on behalf of the Government when he advocated that these people should be disfranchised?

Mr. ROCHE: I suppose the hon. member does not speak with any idea that I am here to answer authoritatively for the hon. member for Calgary. That hon. gentleman fearlessly expresses his opinion irrespective of whether the statements he makes are authorized by the Government or not. I suppose the hon. member (Mr. Turriff) is

not trying to fasten culpability on the Immigration Branch for having done what it could to help out the western farmer and bring in a supply of greatly-needed farm labour. Nor do I know on what information he bases the statement that a number of these men were of enemy-country origin. I am not aware that there were a number of that origin. I understand that a large number were Scandinavians, while many were American-born. Of course, I cannot be responsible for the hon. member for Calgary. I assure the hon. member for Assiniboia (Mr. Turriff) that that hon. gentleman had nothing to do personally with bringing in these immigrants, other than to visit the western provinces, interview the members of the provincial government, and facilitate the holding of a conference of business men and others in the city of Winnipeg to discuss this whole question. Whatever action was taken as a result of that conference was taken in accordance with the wishes of the governments of the three prairie provinces. I sent a couple of inspectors of the Immigration Branch to enter into conference with them. They decided upon a plan of campaign with a view to bringing in a supply of farm labour to meet the great demand. Alarm was felt at one time that we were not going to get a sufficient acreage seeded, in view of the necessity for increased production, by reason of the want of farm help. As the United States was the only place to which we could look for an additional supply, we assisted in the campaign, which was successful. The farmers were supplied, the wishes of the provincial governments were met, and, so far as I know, there has been no objection to what was done.

Mr. TURRIFF: I am in sympathy with the policy of the hon. minister as carried out; I think it was quite proper to help in bringing in a supply of farm help. But we cannot get nine thousand labouring men from the United States without getting quite a large number who are of enemy-country origin, though now of American allegiance. But I think it unfair to induce these men to come into Canada, holding out to them the hope that they may become Canadian settlers and British subjects, and then hold over them the threat that if they become British subjects in the West they are liable to have the franchise taken from them simply because they originally came from enemy countries.

Mr. KNOWLES: We find here a member of the House of whom ministers speak in extravagantly complimentary terms announcing a policy that affects hundreds of my constituents as well as hundreds of the constituents of other members of the House. That hon. member says these men should have taken away from them that consideration which the Dominion of Canada, or the British Empire, gave them in exchange for their oath of allegiance, and that it should be taken away wantonly and without reason. Many of my constituents have a right to ask of me as their representative, and we are their representatives, whether the Government is endorsing the view of the hon. member for Calgary. It is all very well to sidestep the matter and say that the hon. member for Calgary is a very independent man. I am not so sure whether he is or not, but that is absolutely beside the question. He is a Government official, a supporter of the Government, and I understand that he is very closely in the confidence of the Government. The Government has asked that we consider the matter of immigration, which comes very close to this question, and I ask whether the Government endorses the view of the hon. member for Calgary, and whether the member for Calgary spoke with the authority of the Government. The minister refuses to answer. The question is a proper one, and it will not do for the minister to sidestep it in that way. We have a right to know whether the hon. member for Calgary spoke with the approval of the Government and the constituents whom we represent have a right to know that. Let them be called diabolical Austrians, Germans or Turks, we are in a British country now, and we have a right to ask if the member for Calgary had the authorization of the Government in making that statement, and the question should not be sidestepped. If it is going to be sidestepped, we should not go on and vote money for immigration, but we should withhold our sanction for this expenditure until we have some statement from the Government with respect to it. The minister wrote that letter saying that conscription was not in force in Canada. He might as well have told them that they were living in America, for they all knew that conscription was not in force. It was absolutely true, but it was a mere platitude. He told them further that the Government was not going to conscribe Americans. What was the object in making such a statement as that? The Government has no power to conscribe Americans. If it conscribes Americans it means a declaration

of war against the United States. Yet the minister spends his time writing letters declaring that he is not going to put conscription in force against American citizens who may be found within our borders. What an absurd thing! The minister must have meant something in writing such a letter. You might as well say that you are not going to take them for a flight to Mars or Jupiter as to say that you are not going to conscribe American citizens. You could not do so anyway. You might as well declare war against the United States at once. The minister should deal with us frankly when he asks us to pass this vote, and he should answer that simple and fair question whether the member for Calgary spoke with the authorization of the Government or did not. The minister should certainly know what the fact is with regard to that particular matter.

Mr. ROCHE: The hon. gentleman (Mr. Knowles) speaks as if the hon. member for Calgary (Mr. Bennett), when he gave this opinion to the House, was laying down the policy of the Government. The member for Calgary was giving the House the benefit of his views as to what the Government should do, but he was giving expression to his own personal views. I am not in a position to say if he spoke with the authority of the Government. On the contrary, I feel convinced he did not. I do not know if the hon. gentleman wants any more direct reply than that. The hon. member states that I have sent a letter all over the country saying that we would not conscript Americans, when they knew that we would not do so. If the hon. gentleman could have induced the American press to take that view, it would not have been necessary to have sent that letter. But in view of the fact that a portion of the American press carried on a grossly misleading campaign on this very point, stating that we wanted to get their men into this country to press them into military service, it was necessary to combat that propaganda, and for that purpose I sent this letter. My action did not provoke any criticism last year. I read the letter in the House last year, and it apparently received the endorsation of every member present. I shall read the letter again.

8th January, 1916.

Through either lack of knowledge or from some ulterior motive numerous papers in the United States have recently advised American citizens that by going to Canada they incurred the risk of being drafted as soldiers in the present world-wide war. Were these articles confined only to that portion of the pro-German press, which without regard to the truth, have been publishing fictitious news items intended to injure the trade or stir up friction between the States and Canada, the reports might safely be let go uncontradicted, but when responsible journals are misled into publishing erroneous information regarding conscription it seems advisable to make an official pronouncement upon the matter.

I therefore beg to advise you that all troops from Canada for the war have gone voluntarily; that while the Government has the power to enforce conscription, such action has not been considered either advisable or necessary, and that even were conscription introduced it would apply to Canadian citizens only.

For your information when dealing with this subject, I may say that many Canadians resident in the United States and many American citizens have crossed into Canada since the outbreak of war, have offered their services, been accepted, did valuable work and in some cases gave up their life in the cause of liberty and justice.

Any publicity you may care to give to this letter will be appreciated by,

Yours faithfully,

W. J. Roche,
Minister of the Interior.

That letter was included in the Canadian Atlas and in our immigration pamphlets that we distributed, and it was for the purpose of counteracting the propaganda that was carried on by a certain portion of the American press. If that letter was foolish and absurd, as the hon. member for Moosejaw says, I wish to say that I sent it for the reason which I have given. If I had not taken steps to check this misrepresentation that was indulged in among the press, and which brought the Department of the Interior many individual inquiries and letters, I would have been open to the condemnation that I had not taken the best means available for counteracting it. I do not see why I should be censured for writing that letter for the purpose of counteracting that misrepresentation that American citizens who came into Canada would be subject to conscription.

Mr. PUGSLEY: It seems to me that the letter is objectionable in that the minister, while he states what everybody knows, that American citizens would not in any circumstances be liable to conscription, yet goes farther and says that it has not been considered at all necessary or advisable by the Government of Canada. What was the object of making that statement? It was to induce American citizens to come in and become permanent settlers in Canada. It was to induce them to become citizens of our country and to take up or buy homesteads, and, in that connection, to allay their fears that the minister clearly held out to them the belief that conscription

would not need to be introduced into Canada, that the Government did not consider it necessary or advisable.

Mr. ROCHE: Do not forget the date of the letter.

Mr. PUGSLEY: It was to allay that fear. The minister puts a double proposition forward. First, he says that American citizens would not be liable to conscription under any circumstances, and then he proceeds further to tell them what is the policy of the Government in regard to conscription. If the Government had any notion that conscription would be a justifiable and proper policy to pursue in this country he ought not to have made that statement, made, as it was, for the purpose of inducing people to come in from the United States, become permanent citizens of Canada and become also British subjects, because they would have to become British subjects before they could obtain homestead lands and obtain a patent therefor from the Crown. The minister will agree with me that in making that propaganda he intended to go to the extreme limit to allay all possible fears that American settlers might be subject to conscription. If the minister had in his mind, or if the Government had in their minds, at that time, that if this war continued they would introduce conscription into Canada, then the minister ought not to have allayed that fear by writing that letter, because settlers would naturally draw the conclusion from the minister's statement that the policy of the Canadian Government was against the introduction of conscription. I am very glad to learn that the minister has succeeded in getting a large number of immigrants from the United States into Canada last year.

Of course, the number is very small indeed as compared with the number of those who came in during the years preceding 1911. During the period when the late Government was encouraging immigration, settlers came in, not by the thousands but by the hundreds of thousands, from the United States. I should like to see that day return. That is what we want in our western country. But in our efforts to get settlers we ought to be very careful not to make any mistakes or misstatements as to existing facts, or as to the policy of the Government of the day. Nothing would do so much harm to immigration, nothing would do so much harm to Canada so far as immigration is concerned, as a general impression that the Government of this country had not absolutely kept faith with those who were induced to come into the country. I think that on reflection the minister will feel that in view of the announcements that have been made within the past few days in this House, his statement in regard to conscription was an unfortunate one if, by reason of it, settlers were induced to come into Canada.

Mr. ROCHE: My hon. friend, I am afraid is drawing a long bow. He overlooks the date of this letter, January 8, 1916.

Mr. PUGSLEY: The war was on then.

Mr. ROCHE: And we were in hopes that before to-day the war would be over.

Mr. PUGSLEY: On what did the minister base that expectation?

Mr. ROCHE: If I asked the hon. gentleman now, how soon, in his opinion, the war would be over, what would he say?

Mr. PUGSLEY: I may tell my hon. friend, and the Minister of Marine will vouch for the statement I make, that my opinion, given very shortly after the war began, was that it would last for a number of years. I never could understand on what ministers acted when they told the people of this country that it would probably be over in three months, nine months or a year.

Mr. HAZEN: The Government never told people that.

Mr. PUGSLEY: One of the ministers, the other day, said that most people expected that in three months it would be over.

Mr. HAZEN: That is a very different statement.

Mr. PUGSLEY: I have no conception on what anybody would base that idea. Here was a country, Germany, which, as the evidence has shown, had been preparing for forty years for this war, and how anybody could suppose that Germany could be crushed in one or two years or three years, be worn down or crushed out, tht Prussianism, monarchism in Germany could be is beyond my comprehension. Here, in 1916, when the minister is starting a propaganda in the United States to get settlers to come into this country, not merely getting people for temporary purposes, for the purpose of doing work on the farms, but in order that they might become settlers in Canada; and knowing that they could not acquire patents to homesteads without becoming naturalized citizens, the minister de-

clares to those people in Chicago that the policy of this Government is not to have conscription in Canada. I say that unless the Government had determined upon that course of no conscription they should not have acted in a way which would be calculated to induce these settlers to believe there was a breach of faith in case conscription should be introduced. I repeat that, in my judgment, unless the Government had a settled policy on the subject, the minister's statement, made while the war was on, that there was no intention of introducing conscription, was neither necessary nor advisable. It was an unfortunate statement to make and one that might mislead the people and induce many to settle in this country under a misapprehension.

Mr. ROCHE: Has the hon. gentleman heard of any grievance on the part of those who came into Canada on that representation?

Mr. PUGSLEY: Do I know? It is too early to learn that, because conscription has not been enforced as yet. But I should rather suppose that any man who had been induced to come into Canada and had become naturalized in consequence of the statement which the Minister made in Chicago, with the authority of this Government, would have a very just ground of complaint.

Mr. ROCHE: It takes three years from the time the man comes into the country and applies for this homestead before he can become a naturalized subject. He cannot become naturalized in the country until he has been in the country three years.

Mr. PUGSLEY: He takes his first step by applying for a homestead.

Mr. KNOWLES: I would ask the minister whether in the spring of last year he became aware that conscription would almost surely be necessary in this country. The hon. member for Victoria and Haliburton (Sir Sam Hughes) has stated that, in the spring of 1916, the Prime Minister gave him instructions that recruiting was not to be keenly followed up, and we all know that has been the system for a year, go easy and recruit as few as possible; and, as a result, no recruits in any number were secured during the past year. I suppose the minister would know that conscription was going to be necessary as soon as the decision was reached by the Government that recruiting should be let up on. He would then know that in all human probability conscription would become necessary in order to secure the 500,000 men that had been promised. I ask the minister whether, in the spring of last year, he was also aware of the fact that the Prime Minister had reached a decision which he had communicated to the then Minister of Militia and Defence (Sir Sam Hughes), namely, that he desired that they should let up on recruiting.

M. ROCHE: I am not aware that the Prime Minister gave voice to any such instruction. In fact, on the contrary, I heard him in his place deny that he ever made such a statement.

Mr. KNOWLES: Has the minister not read the speech of the late Minister of Militia and Defence in which he so stated.

Mr. ROCHE: I am telling what the Prime Minister stated.

Mr. KNOWLES: Has he read the speech of the ex-minister?

Mr. ROCHE: Yes, I have read what the hon. the ex-Minister of Militia stated. On the other hand, we have the reply to that by the Prime Minister. I am going by the Prime Minister's statement.

Mr. KNOWLES: Then I ask if he contradicts his then colleague, the ex-Minister of Militia?

Mr ROCHE: Oh what nonsense.

Mr. KNOWLES: That answer "nonsense" is worthy the minister, but it is not an answer to my question. This is a serious question, whether or not a decision was come to a year ago to ease up on conscription. The Prime Minister says it was not; the ex-Minister of Militia and Defence says it was. I am addressing the colleague of both these gentlemen; he knows them both, and I ask him if he had any information communicated to him such as the ex-Minister of Militia states was conveyed to him in May, 1916. Did the minister have any intimation that there was going to be an easing up of recruiting?

Mr. ROCHE: I am quite well aware that no statement was ever issued on the part of the Prime Minister or any member of the Government to the effect that there should be an easing up on the recruiting.

Mr. KNOWLES: The hon. minister does not mean that there was no statement made by any member, because the Minister of Militia and Defence was a very important

member of the Government, and he so stated.

Mr. ROCHE: Did he state that while a member of the Government?

Mr. KNOWLES: He has stated now that that intimation was made to him.

Mr PUGSLEY: Does the Minister of the Interior suggest that he would be more truthful when a member of the Government that he is now?

Mr. ROCHE: The hon. gentleman is doing the suggesting.

Mr. TURRIFF: I want to say that you have two statements, one by the Prime Minister and one by the ex-Minister of Militia, and only one of them is the truth, because they are directly opposed to each other. But all the corroborative evidence would lead one to judge that the ex-Minister of Militia was telling the truth. I will tell you why. Upon the return to Toronto of a delegation which had come here to interview the Prime Minister, some of its leading members made statements exactly along the line of the statement made by the ex-Minister of Militia. And there is this further corroborative evidence: at the time the ex-Minister of Militia received, as he says, instructions from the Prime Minister to let up in recruiting, recruiting dropped from 25,000 to 5,000 men a month. It looks, therefore, as if the ex-Minister of Militia was telling the truth. To my mind, explanations should be made not by the ex-Minister of Militia, but by some member of the Government, because there is no doubt that recruiting fell as I have stated. Why should recruiting fall so suddenly if word had not been passed around,—as the ex-Minister of Militia says, on the direct instructions of the Prime Minister,—that there should be a let up in recruiting?

Mr. PUGSLEY: I hope that the minister is not disposed to let a serious statement like this pass without notice. The truthfulness of the ex-Minister of Militia has been emphasized in another way. The ex-Minister of Militia, in a letter which he wrote to the Prime Minister in May, 1915, stated that for three whole months his operations had been blocked by a committee of the Cabinet; that he had not been permitted to proceed with the purchase of trucks because this committee were deliberating as to how the contracts could best be let in order to distribute as much commission as possible among its friends. That is, I think, as serious a charge as could possibly be made by one member of the Government against his colleagues; yet neither the Prime Minister nor any other member of the Government has ventured to question this statement of the ex-Minister of Militia. Whatever may be said of the ex-Minister of Militia, I do not believe he can be charged with untruthfulness, and it would require a good deal of evidence and the exercise of exceptionally good memory on the part of members of the Government before they could induce the people to believe that the ex-Minister of Militia deliberately misstated the facts in regard to this very important matter.

At six o'clock the committee took recess.

After Recess.

The committee resumed at eight o'clock, Mr. Rainville in the Chair.

Mr. OLIVER: I asked the minister some little time ago in regard to advertising done in the United States to induce men to come to Canada for farm work, and he replied that the announcement was that those who worked for farmers this summer would be allowed six months' residence on their homesteads.

Mr. ROCHE: They would be allowed the time they spent on the farms to count as residence.

Mr. OLIVER: Is the minister sure that that offer applied only to one season's work and did it apply to two seasons' work?

Mr. ROCHE: To 1917 alone.

Mr. OLIVER: The minister is absolutely positive on that point?

Mr. ROCHE: That is what I am informed. That certainly was the intention.

Mr. OLIVER: I was given to understand that in a Seattle newspaper the immigration agent, Mr. Grieve advertised that two seasons' residence could be put in by working with farmers, so that a man taking up a homestead and working for two summers with farmers would have to put in only six months' residence on his homestead in order to obtain his patent.

Mr. ROCHE: That is not the intention.

Mr. OLIVER: That is not correct?

Mr. ROCHE: No.

Mr. OLIVER: By what authority was that privilege given?

Mr. ROCHE: I am inclined to think it was done by Order in Council. I am not just sure as to that at the moment.

Mr. OLIVER: I would like the minister to inform the House definitely at a later date, because I am under the impression that an Order in Council would not be sufficient; that the Act of Parliament is absolutely explicit as to residence duties to be performed by homesteaders; and my impression is that when the Government undertook to vary the terms of residence, as they admittedly did, they did so absolutely without authority. In my view such variation in regard to homestead duties was absolutely contrary to the public interest, to the well-being of the western country, and to good policy in securing its settlement. If there is one curse greater than another that the actual settler of the West has to put up with, it is that of the non-resident homesteader. That policy of the Government which undertakes to permit non-resident homesteading is not promotive of settlement, but is a most serious detriment to settlement and is a very positive injury to those who are actually in occupation of their homesteads and fulfilling their duties in accordance, not only with the letter, but with the spirit of the law, establishing homes in the country, building up the country, and handicapped in doing so by the holding of vacant land by transient homesteaders, not under the law, but under the authority of a minister.

Dealing with the question of the propriety of citizens of Canada, British subjects who are of alien enemy origin, being deprived of their franchise, I would point out that the Minister of the Interior and his colleagues in the Government, did, as a matter of fact, within the past few months vary the terms of the Land Act, arrogating to themselves an authority that did not belong to them for the purpose of holding out special and unwarranted inducements to people of alien enemy origin if such desired to take advantage of those inducements, and that they, or their supporters at any rate, are not in a position to question the right of such people to the franchise which they have acquired in our country under the laws administered by the minister. The minister has disclaimed all responsibility for the utterances of the hon. member for Calgary (Mr. R. B. Bennett). Technically I think it may be admitted that he is entitled so to repudiate those utterances, but as a matter of fact, the hon. member for Calgary occupies the same relation to this Government as does the hon. member for Shellburne and Queens (Mr. McCurdy) or the hon. member for North Bruce (Mr. Hugh Clark), except that he does not draw a salary and does not hold a title, but his duties are of the same character or are indeed more of an administrative character; and although when he does make a pronouncement on the floor of the House, the Government are within their rights when they repudiate it, they are not acting in good faith with the country in doing so. They must in fairness assume a measure of responsibility for that member of Parliament to whom they have delegated duties which at one time were supposed to be important and responsible, who is acting as special commissioner of the Government in regard to those special duties which had special connection with this very matter of the bringing people across the line and necessarily with their rights after they came. This very member of Parliament, occupying this position in connection with the Government, having those important duties and responsibilities, who belches forth on the floor of this House against the exercise of their rights by people who have acquired those rights in all honesty and fairness at the hand of this Government—this very gentleman is himself the active agent, in conjunction with this Government and for the Government, in bringing such people across the line and in offering them, contrary to law, inducements to come here.

Mr. ROCHE: My impression is that this procedure was taken by means of an Order in Council. Such procedure would be under the War Measures Act, and therefore within our jurisdiction. The hon. member says that the minister has repudiated statements made by the hon. member for Calgary. I have not repudiated statements made by the hon. member for Calgary; I was asked by the hon. member for Moosejaw (Mr. Knowles) if the hon. member for Calgary was authorized by the Government to make the statements he did in his speech when discussing another subject, namely, the Franchise Act. I stated that so far as I was aware the hon. member for Calgary was not authorized by the Government; that is as far as I have gone; that it is as far, I think, as I am called upon to go. I am not responsible for the personal views held on this or any other subject by the hon. member for Cal-

gary or any other hon. member. The hon. member for Calgary has done good service for the Government as chairman of the National Service Commission and in other capacities. He has endeavoured to bring the man power of this country to bear on the war to the very best purpose, and as Chairman of the National Service Commission he took up with the various provincial governments the question of the best means of supplying the demand for farm labour. Apart from that, the hon. member for Calgary had nothing whatever to do with bringing these men in from the United States. No special inducements were held out to men of enemy nationality, as the hon. gentleman would lead the House to believe. On the contrary, we issued positive instructions that men of enemy nationality were not to be admitted.

Mr. OLIVER: I said of enemy origin.

Mr. ROCHE: The men who came in were citizens either of the United States or of an Allied country, and not citizens of an alien enemy country. There are in the United States citizens whose antecedents came from Germany or Austria, but we have these people in Canada as well, and many of them have become naturalized and taken up homesteads here. What would the hon. gentleman have had us do? Would he have had us keep the farm labourers out, although they were citizens of the United States, simply because their antecedents came from Germany or Austria? I do not think the hon. gentleman would have taken that stand; it would have been unreasonable for him to do so.

The hon. gentleman also spoke about the land laws and said we were not warranted in taking the action we did. I can tell him that we have been complimented on holding out this inducement to farm labourers no matter whether they came from the United States or from any part of Canada. There was such a great demand for farm help in the West, consequent on the heavy enlistments from those provinces, that some steps had to be taken to get farm labourers, and we have been complimented by the hon. gentleman's own political friends in Manitoba, Saskatchewan and Alberta for offering to count the time these men spent with a farmer as residence on their own homesteads should they care to take one up. It is all right for the hon. gentleman to say that we were not warranted in offering this inducement after the demand has been supplied, but if we had not supplied the farm labour the hon. member would have been the first to condemn it, especially at a time when everybody is preaching and desiring to practise increased production. I do not think the hon. member can hold this Government responsible for any individual opinions the hon. member for Calgary may have expressed on the franchise question. As I have said before, if the hon. gentleman condemns us for holding out this inducement to farm labourers, he is certainly not in agreement with his own political friends in western Canada, for they most assuredly have endorsed the action of the Government in this respect.

Mr. OLIVER: I can only say in regard to that what the minister himself says in regard to his colleague: I am not responsible for the opinions of my friends. I take responsibility for stating in my place in this House my opinion of the action of the Government. That action is not only unwarranted and ill-advised, but illegal as well. And that action was taken in pursuance of a policy the logical conclusion of which is condemned by the very men who were parties to it. I did not suggest any condemnation of the Government because they permitted labourers of alien enemy origin to be brought into Canada. But I condemned the colleague of the Minister of the Interior who refused to recognize the same right of citizenship conferred by this Dominion under the authority of the British Government that the minister says here to-night, and says very properly, he ought to recognize when conferred by the United States of America. As to the assertion that the Government is not responsible for the utterances of their supporter, I reply that when their supporter occupies a responsible position in which he acts on their behalf it is not for the Government to dissociate itself from the utterances of that hon. gentleman in this House in regard to a matter of public policy. Technically, they may be able to do so, but as a matter of fact and as a matter of right they cannot do so. The Minister of the Interior must either shoulder responsibility for the utterances of the hon. member for Calgary, or he must, on behalf of the Government which employs that hon. member, repudiate that hon. member's sentiments, and this he has not yet done.

Now, I wish to ask the minister if the department keeps a record of the movement of people from Canada to the United States.

Mr. ROCHE: No. No statistics are kept by the Canadian authorities of those going from Canada to the United States.

Mr. OLIVER: Has it ever been the custom of the department to keep such statistics?

Mr. ROCHE: No.

Mr. OLIVER: I remember very distinctly that when my hon. friend (Mr. Roche) was in opposition his friends, if not himself, were very insistent that such statistics should be kept, and they were very strongly of the opinion that without such statistics the record of immigrants coming into the country was not complete or convincing. At that time the flow of immigration into Canada was very great, the settlement of the country was progressing rapidly and development was going on at a rate never heard of before and certainly never heard of since. At that time possibly it was not important that we should keep account of the people who went out. But, at a time like this, when immigration has languished, when our population is at a standstill, so far as we are aware, it would certainly be of the greatest interest to the Canadian public to know how many people are leaving Canada. I would suggest that, if the minister has not kept such records in the past, he should take means to keep them for the future. Further, while I would not wish to contradict the minister in a matter of his own department, I am still strongly under the impression that at some time such a record as I speak of was kept. Would the minister inquire about that?

Mr. ROCHE: I am informed that there has never been any record kept by the Canadian immigration authorities of those leaving Canada for the United States. Nor has any record been kept by the United States of the movement of their population into Canada. Sometimes they ask us for our figures, and sometimes we ask them for theirs. But both Governments act on the same plan—neither keeps a record of the exodus from its country.

Mr. OLIVER: I should be sorry to get into an argument with the minister on that point, but I think he will find on inquiry that the United States either did keep or professed to keep a record of the movement of their people into Canada. Such figures have been given in the American report.

Mr. ROCHE: They took our figures.

Mr. OLIVER: No, because it was said that their figures and ours did not agree, and this was brought to the attention of the House by friends of the hon. minister, then in opposition. However, we shall not get very far by arguing that question of fact. But I would point out that during the past year there has been an important movement of people from both eastern and western Canada to the United States. This movement must have been within the cognizance of the officers of the Minister of the Interior. My hon. friend and his officers were absolutely derelict in their duty if they did not take account of that movement. It was stated as a matter of fact that, owing to the announcement made by the Prime Minister (Sir Robert Borden) and the Director of National Service, so-called, there was a very active movement of men eligible for military service from Canada to the United States during the months of October, November, December, and part of January. And, now that I think of it, that movement did come to the attention of the hon. minister and his colleagues. For on the day that Parliament met, or one or two days before or after, a despatch was sent throughout Canada on behalf of the Government, announcing that this movement having taken place because of the fear of military conscription under the so-called national service proposals, this was to assure the people that National Service did not mean conscription for military purposes, and they need not run to the United States in order to get away from it. This movement having been sufficiently important to demand the attention of the Government in the very prominent manner to which I have referred, I say again that the Department of the Interior and its Immigration Branch certainly was asleep at the switch if it did not take cognizance of the volume of that movement. And I say further that, that movement having been caused by the injudicious expressions and declarations of policy on the part of the Prime Minister and his Director of National Service and their newspaper mouthpieces throughout the country, they must take the responsibility for its existence as they took responsibility for attempting to stop it. I wish to point out—and I am sorry the Director of National Service is not here—that though a number of men were brought into Canada ostensibly for farm labour in the West, with a special inducement of non-resident homesteads and special assurance of freedom from conscrip-

tion, yet the number was not nearly as great as the number of men of like age and capabilities who left the country in the months that I speak of because of the declarations and assertions of the same Director of National Service.

Mr. ARTHURS: Is the hon. member speaking of the West now?

Mr. OLIVER: I am speaking in large measure of the province of Ontario. I have in mind the fact that the newspapers of Detroit published an express welcome to 17,000 young Canadians who had recently taken up residence in their fair city.

Mr. ARTHURS: It was probably better for us that they should stay in the States, if they went away for that reason.

Mr. OLIVER: I quite agree with my hon. friend, and that is precisely why I am pointing out to the minister that it was not sound public policy to offer non-resident homesteading in the western provinces to the same men, or men of a like kind, to bring them back to reside amongst us. That is the policy and practice that I am speaking of, and I hope the hon. gentleman (Mr. Arthurs) will join with me in condemning it.

Mr ARTHURS: I had not intended taking part in this debate. But, in listening to the addresses I have gained the impression that hon. gentlemen opposite are barking up two trees at the same time. They are trying, apparently, to play for the German-Austrian vote in the West, and at the same time to condemn the Government for bringing citizens from the United States to help in the harvest. The whole trend of their remarks has been to condemn the hon. member for Calgary (Mr. Bennett), for saying that these men who had been only recently, if at all, British citizens, should not be allowed to vote I agree absolutely with the hon. member. I am not speaking for the Government, but for myself, and I have no hesitation in saying what I do though in my own riding there are a good many Germans. But I am not playing one game in one place and a different game in another place. The Minister of the Interior is perfectly justified by the results of the action he took. In the West they were greatly in need of additional farm help, and the minister was justified in bringing in citizens of the United States He could not possibly stop them under international law; the fact that they were citizens of a neutral country precluded us from debarring them from Canada. The point of this whole argument, so far as I can see, is only that some hon. members are anxious to secure the support of these men whom they are condemning the Government for bringing in.

Mr. OLIVER: My hon. friend (Mr. Arthurs) has a logic of his own.

Mr. ARTHURS: So have you.

Mr. OLIVER: I agree with that, but it certainly is not the same as the hon. gentleman uses. He says we are barking up two trees at the same time What is the Government doing? According to the announcement of their friends, they are going to disfranchise these people who are of Austrian and German origin.

Mr. ARTHURS: The Government did not announce that.

Mr. OLIVER: Through their director of National Service. And the Government have no right to repudiate those whom they trust with important duties of that kind. At the same time, they are claiming credit for disposing of their lands in the Northwest in order to bring back the very men which the loose talk of the Director of National Service was driving across the line. The Government and its friends should take either one side or the other. They should speak of what they intend to do, or they should hold their tongues. They should not talk of conscription unless they intend to enforce it; and if they intend to enforce it, they should enforce it not talk about it. And when they talk about disfranchising citizens of this country because of their origin, they should not at the same time offer special inducements to people of the same origin but of United States nationality to come in and occupy our lands on terms unfair to our own settlers.

Mr. ARTHURS: I would like to ask the hon. gentleman if any great proportion of those men who came over to work on the farms of the West were such citizens as he has described here?

Mr. OLIVER: I do not know who or what they were but there is no reason to suppose that they were not. The Minister of the Interior has assured my hon. friend that if they were of that character they would not have been stopped from coming.

Mr. ROCHE: They were American citizens.

Mr. OLIVER: They were American citizens. Why should not British citizenship be just as good and get the same rights as United States citizenship at the hands of this Government?

Mr. ROCHE: The hon. member for Kings, Prince Edward Island (Mr. Hughes) asked if we would extend the same privileges to Prince Edward Islanders who might go out West and I said: Yes, certainly. If they came from the United States they would have been United States citizens of British nationality but if they came from any of the other provinces of the Dominion they would have been given the same privilege.

Mr. OLIVER: A United States citizen of alien enemy origin was given by the Director of National Service, under the authority of the Minister of Interior, the special privilege of non-resident homesteading in the Northwest while the same Director of National Service was declaring that a man of British citizenship but of the same alien enemy origin should be disfranchised.

Mr. TURRIFF: Is the same privilege of non-resident homesteading given to men resident in Canada who might go out and work on the farms in the West?

Mr. ROCHE: Certainly.

Mr. MARCIL: Are any inducements given to residents of the other provinces to go West?

Mr. ROCHE: The same.

Mr. MARCIL: Was any advertising resorted to in order to make the facts known?

Mr. ROCHE: It was advertised in the press of the country. The privileges were extended to people from any province in the Dominion.

Mr. MARCIL: Does the minister know if any considerable number went from the Canadian provinces?

Mr. ROCHE: We did not encourage them to go from the other provinces for the reason that we were informed that in all the other provinces they were just as badly off as they were in the West.

Mr. PUGSLEY: How many homestead entries were taken up during the past year?

Mr. ROCHE: During the fiscal year ended March 31, 1917, the total number of homestead entries was 11,199.

Mr. PUGSLEY: It appears that 70,000 settlers came in, but only 11,000 homesteads were taken up. Has the minister any information as to whether the others only came temporarily, or whether they bought land, or went into the cities?

Mr. ROCHE: The 60,000 who came in from the United States included men, women and children, and, of course, children are not supposed to take up homesteads.

Mr. PUGSLEY: Still, immigrants as a rule do not bring in many children.

Mr. ROCHE: Yes, they come in with quite large families.

Mr. PUGSLEY: In what provinces were these 11,000 homesteads taken up?

Mr. ROCHE: The three prairie provinces and particularly in the northern part of Alberta.

Mr. PUGSLEY: In the Peace River district?

Mr. ROCHE: A great many went into the Peace River district.

Mr. PUGSLEY: Are there many available homesteads having good soil in that part of Alberta south of the Saskatchewan river?

Mr. ROCHE: South of that latitude there are no large blocks of land still available and not disposed of. There is land here and there, but no large amounts, such as a township. There is comparatively little in Alberta south of Edmonton.

Mr. PUGSLEY: I do not mean townships, but is there any considerable extent of good land still open for homesteading south of the Saskatchewan river?

Mr. ROCHE: Comparatively little.

Mr. PUGSLEY: The reason I ask the minister is that he has upon the Order Paper a proposal, of which a good deal of notice has been taken, and which proposal was put forward to a committee in England by the hon. Minister of Public Works (Mr. Rogers) to assist returned soldiers to take up homesteads and give them a loan of money. What I was desirous of knowing was whether, in order to avail themselves of this offer, settlers would have to go north of the Saskatchewan. From what the minister says, I judge that will be substantially correct.

Mr. ROCHE: To get blocks of land of any extent they will have to go to the northern part of the province.

Mr. OLIVER: Did I understand the minister to give the number of homestead entries during the past year?

Mr. ROCHE: Yes.

Mr. OLIVER: How many?

Mr. ROCHE: 11,199.

Mr. OLIVER: I take it that the expenditure on immigration is primarily for the purpose of securing settlement on homesteads. Am I right?

Mr. ROCHE: We are particularly desirous of getting those who wish to locate upon the land and we are making a special effort to secure farmers, farm labourers and domestic servants.

Mr. OLIVER: The expenditure is largely for the purpose of securing homestead settlement. I think we all agree that that is right. We find that during the past year the efforts of the immigration department resulted in securing 11,000 homesteaders, and I find, on referring to the figures, that in 1910-11 and 1911-12 we had in the neighbourhood of 44,000 homesteads taken, or four times as many as we had in this past year. I suppose that that would argue that there was four times as much work done by the immigration department; at any rate, the results of the work done were four times as great as they were last year. I wish to point out, in the same line of reasoning, if my hon. friend over here (Mr. Arthurs) will permit me, that I used the other night in regard to the estimates of the lands branch, that the expenditure by the Department of the Interior in regard to immigration in this time of war, when we are voting half a million dollars for war expenditure, is extravagant beyond all reason, because we are spending this year, according to this estimate, considerably more money than we did in the year 1910-11, or the year 1911-12, when we were securing four times as many homestead settlers. I desire to emphasize that this Government in all its departments, and certainly in its Interior Department, does not know that there is a war on or that this country, in view of the extraordinary expenses of the war, demands that the expenses for the ordinary services of the country be cut down in accordance with the war conditions which reduce the possibility of results from those services. We have actually increased our expenditures for these services, notwithstanding the tremendous demands made upon us by the war. Here is this instance, the Immigration Department demands $1,215,000 for the year 1917-18, and in the year 1910-11 the demand was for $1,040,000, and for 1911-12, for $1,066,000. The only difference in the service is that in those years we paid $15,000 to the Winnipeg and St. Boniface hospitals, and in this year that sum does not appear, but there is $29,000 for Chinese immigration. The Minister of the Interior convicts his Government of absolute extravagance and of disregard of war conditions.

Mr. ROCHE: I may tell the hon. gentleman that he is away off in his figures. He states that we do not know that there is a war on, viewing it from the standpoint of the expenditure of the Immigration Branch, and that we have not been reducing our expenditure.

Mr. OLIVER: No, I say your expenditure is out of proportion to the result of your work.

Mr. ROCHE: The hon. gentleman is qualifying the impression that he conveyed to the House, that we have not taken any steps to reduce the expenditure because of the war being on. I beg to say that his figures are not quite accurate as to the actual expenditure in 1910-11. For the year 1911-12, which was the last year the hon. gentleman prepared the estimates for the Immigration Department, the expenditure was $1,354,736, and the expenditure of this past year has been $1,152,275.

Mr. MACDONALD: How many people came in 1910?

Mr. ROCHE: The people who came in 1910-11 were 311,084.

Mr. MACDONALD: And last year?

Mr. ROCHE: The number last year was 75,395, but the hon. gentleman must bear this in mind, that because the war was on it was not to be expected that we were going to close up the offices for which we had long term leases and to dismiss all our staff. Australia and New Zealand are not doing that. Our immigration agents in the United Kingdom are urging us to undertake a more active propaganda in the British Isles, to do something to promote immigration, particularly among the soldiers. Australia and New Zealand have been showing limelight views behind the trenches and carrying on a propaganda among the soldiers, and our people in England are afraid that Australia and New Zealand will have the advantage of Canada by reason of our expenditure along the same line being cut down considerably. We have our staffs in the old country. I think that every member of the immigration staff in Great Britain who is of military age and eligible has enlisted. We have been paying the differ-

ence between their civil and their military pay, and we have to keep our offices open with the other members of the staff. Quite a number of inquiries have been received, notwithstanding that the war has been on. In 1913-14, the year the war came on, the expenditure was $1,859,671. That has been reduced this past year by $700,000. So there has been a continual reduction in the expenditure, and the hon. member for Pictou (Mr. Macdonald) was the very member who last Monday accused the Immigration Branch of spending $300,000 more now than we did four years ago.

Mr. MACDONALD: I took my figures from the public accounts; I have them here.

Mr. ROCHE: I do not think the hon. gentleman will find such figures in the public accounts.

Mr. MACDONALD: I have them here. I compared the figures of 1910, which were $1,079,000, and those of 1915-16 which were $1,307,000.

Mr. ROCHE: The hon. gentleman said four years ago, my attention was drawn to his remarks in Hansard; he said that the Minister of the Interior was spending $300,000 more now for immigration than four years ago.

Mr. MACDONALD: The hon. gentleman must realize that I was referring to the last year of the Liberal administration

Mr. ROCHE: Four years ago. It is $700,000 less to-day. The hon. member for Edmonton (Mr. Oliver) was quoting the estimates for last year and said we had spent $1,574,000.

Mr. OLIVER: I beg pardon, I did not quote the estimates of last year.

Mr. ROCHE: Was he referring to the estimates of the present year?

Mr. OLIVER: Yes, this year.

Mr. ROCHE: The estimates of this year are considerably below last year, nearly $300,000. So I think there cannot be any charge—

Mr. MARCIL: Will the hon. gentleman say how the deduction of $300,000 was made up?

Mr. ROCHE: By sweeping reductions all along the line. In some instances by the reduction of the staff. Where offices would become vacant in many instances we did not fill them, and we have had reductions all along the line. And it is a substantial reduction below last year, $300,000, and below four years ago, $700,000.

Mr. OLIVER: I find on reference to the public accounts that the expenditure on immigration in 1910-11 was $1,079,129; and in 1915-16, $1,307,480, an increase of $238,-351. I say that increase of expenditure, with the decreased business done, is absolutely indefensible, and I wish to say further that when the minister talks about decreasing his expenditure from one million eight hundred thousand down to one million whatever it is this year, I would respectfully ask him on what ground he increased it from $1,079,000 in 1911 to $1,800,000 in 1914. Under what possible state of circumstances could he justify that enormous increase at that time and in that period?

Mr. ROCHE: We had a very large immigration continuing until the outbreak of the war, and then immigration did drop; the overseas immigration since then has been almost a negligible quantity. But we have had other expenditures in connection with immigration which the hon. gentleman did not have to the same extent, because it is only of comparatively recent years that we have instituted this rigid system of boundary inspection. It was done before the hon. gentleman left office, but we have had to increase the boundary inspection and during the war we have had to put on an additional number of boundary inspectors to watch the boundary and assist other departments in their work. Our boundary inspectors have been called upon to do considerably more work since the war broke out, and that work has increased very materially. In England all our immigration agencies have been maintained, and we have carried on a much more active propaganda in the United States. The hon. member, being a journalist himself, realizes how very much more expensive it is to get out literature; paper is higher, labour is higher, our advertising is higher, and getting out literature is in every way much more expensive.

We have spent a great deal more money in the United States than we did prior to the outbreak of war. We have made special efforts to get immigration from the United States since we were shut off from overseas immigration.

Mr. MARCIL: Has the minister kept up the work of the repatriation of Canadians?

Mr. ROCHE: Yes.

Mr. MARCIL: What was done last year?

Mr. ROCHE: Colonization agents visit the New England states and bring back and locate in the various provinces French Canadians or their descendants who had gone across the line. These
9 p.m. agents, who report to the department from time to time, claim to have met with a considerable degree of success in their work. They have located some of these persons in Northern Ontario, Northern Saskatchewan, Northern Alberta and some in the province of Manitoba.

Mr. MARCIL: Has the minister any figures as to the number of persons brought in last year as a result of this work?

Mr. ROCHE: The figures are not separated from the general statistics. They are contained in the reports sent in by the colonization agents.

Mr. MARCIL: How many of these agents have you in the United States.

Mr. ROCHE: These are special colonization agents who visit the New England states and act in conjunction with our established agencies there. We have eight of them.

Mr. MARCIL: What are their names and their places of residence?

Mr. ROCHE: J. E. Robillard, Lanoraie, Que., $1,500; G. C. Poulin, St. Johns, Que., $1,200; Odilon Rathé, Henryville, $1,200; J. B. L. Bourassa, Montreal, $1,200; J. B. H. Giroux, Montreal, $600; J. A. Normandeau, Montreal, $600; O. Corbeil, Montreal, $600; Napoleon Poirier, Bellegarde, Sask., $600.

Mr. MARCIL: What kind of work does the hon. minister expect a man to do at $600 a year, in view of the high cost of living?

Mr. ROCHE: Is the hon. gentleman objecting to the salaries being so low? Does he desire that they be increased?

Mr. MARCIL: I was wondering what the minister expected a man to do at a remuneration of $600 a year.

Mr. ROCHE: I understand that they are satisfied with the salaries.

Mr. MARCIL: Are they expected to give 12 months of their time for $600?

Mr. ROCHE: They are allowed certain travelling expenses in addition to their salaries.

[Mr. Roche.]

Mr. MARCIL: What did these additional expenses amount to last year?

Mr. ROCHE: They are published in the Auditor General's report.

Mr. TURRIFF: The minister mentioned the name of M. Poirier of Bellegarde, Sask. What does M. Poirier do, aside from the work to which the minister has referred?

Mr. ROCHE: He is a clergyman.

Mr. NESBITT: What is the minister doing in the way of bringing labouring men for the farms into the province of Ontario?

Mr. ROCHE: The province of Ontario has received a fair proportion of the farm help that has come in; it has its own immigration organization as well. The special agents sent to the United States by the province of Ontario this spring have been acting in co-operation with our agents there. I understand that quite a number of farm labourers—I do not know how many—have come to the province of Ontario this spring.

Mr NESBITT: I do not know of any; certainly none have come into our section of the country. I was wondering if the minister was doing anything in this respect, because we have been very short of farm labour in Ontario. The department used to pay certain persons, who were not given a regular salary, so much for every man that they placed on the farms. Is that work still carried on?

Mr. ROCHE: Yes.

Mr. NESBITT: Who is doing that work in the county of Oxford?

Mr. ROCHE: Samuel Nagle, Ingersoll; F. W. Burgess, Woodstock; Thos. Milson, Tavistock; Messrs. Hollier and Walsh, Tilsonburg; John Pollock, Norwich; Sam L. Foe, Richmond, and Richard Hanson, Tavistock.

Mr NESBITT: Who in the world is F. W. Burgess?

Mr. ROCHE: I can not tell the hon. gentleman who he is, but his name appears as one of those colonization agents who is paid $2 for every farm labourer he places in the province of Ontario.

Mr. NESBITT: I do not know him. A man by the name of Burgess is engaged in the sewing machine business in Woodstock; surely it is not he?

Mr. ROCHE: I do not know, I am sure.

Mr. NESBITT: Such a man would not be in touch with the farmers.

Mr. ROCHE: Perhaps the farmers would be in touch with him.

Mr. NESBITT: They might be in touch with him the wrong way. A man by the name of Burgess was turnkey in the jail, but he is dead. A Mr. Irving was engaged in that work, but he died recently, and I was wondering who took his place. I wish my hon. friend would ask his department to make inquiries as to who F. W. Burgess is. I am not speaking from a political standpoint when I say that the minister should engage for this work men who are in touch with the farmers.

Mr. ROCHE: The work these men were appointed to do has fallen off very materially since overseas immigration ceased. They were largely engaged in placing men who had come across the ocean and located on the farms in Ontario.

Mr COPP: Can the minister give me information with regard to the work done by Mr. Wilmot of the Fredericton agency? The office there costs about $2,000 a year.

Mr. ROCHE: While Mr. Wilmot, I understand, has been doing a good deal of work along this line, he was not on the pay-list of the department during the past year.

Mr. COPP: Is he not now employed by the Government?

Mr. ROCHE: He is doing the work I understand. I am informed that he is very much interested in the work and he is quite willing to continue to work without salary.

Mr. COPP: He is doing work without salary now?

Mr. ROCHE: Yes.

Mr. COPP: There is no Fredericton agency at the present time?

Mr. ROCHE: No.

Mr. COPP: In regard to a matter that was brought up by the hon. member for Carleton (Mr. Carvell) have you any report of work done by Mr. Hay, the Woodstock agent, during the past year?

Mr. ROCHE: Mr. Hay was under discussion here prior to six o'clock. He sends in to the department his diaries giving particulars as to his work. We have nothing here as to what he has done during the past year. My private information is that Mr. Hay was doing good work, acting in co-operation with the provincial land settlement board, locating settlers on the land. An hon. member stated this afternoon that Mr. Hay was in the pay of the provincial government. I was unaware of that fact, and I promised to make some further inquiries with regard to the matter.

Mr. COPP: I know nothing personally about this matter, and I was rather surprised when I heard the statement made by my hon. friend from Carleton regarding this man's salary, and I think the minister must have been mistaken or else I misunderstood him this afternoon when he said that Mr. Hay did not receive anything but his salary. I see by the Auditor General's report of last year that Mr. Hay received besides his salary four hundred and some odd dollars for travelling expenses.

Mr. ROCHE: What year is that?

Mr. COPP: The Auditor General's Report for the year ended March 31, 1916.

Mr. ROCHE: I was speaking of later than that.

Mr. COPP: I am referring to the year of the Auditor General's Report that is in the hands of hon. members, and from that report I find that last year Mr. Hay received $1,963.30 for his services. In view of what my hon. friend said this afternoon with regard to this gentleman's work—

Mr. CARVELL: Mr. Hay got $1,900 more than he was entitled to.

Mr. COPP: I know nothing personally about this man, but it seems to me that as this money is being spent in the province of New Brunswick, we should have some person doing some work in the interest of colonization and the money should not be thrown away.

Mr. ROCHE: I am given to understand that Mr. Hay has made a trip to the United States for the purpose of securing immigrants.

Mr. CARVELL: He made a special trip with his wife to California. He attended a fair of some kind.

Mr. MACDONALD: In war time?

Mr. CARVELL: Yes, in war time.

Mr. ROCHE: That does not at all contradict what I stated. The hon. gentleman is trying to leave the impression that Mr. Hay took his wife to California on a pleasure trip and charged up his expenses to the Government.

Mr. CARVELL: I do not think there is any doubt about that.

Mr. ROCHE: If I took the hon. gentleman as seriously as he takes himself, I do not know what might happen.

Mr. CARVELL: I am serious in regard to the matter.

Mr. MACDONALD: I would like to put on Hansard what the minister has been doing. In 1910-11, this country expended $1,079,129.85 on immigration and in that year there came to Canada 311,084 people. In the fiscal year ended March 31, 1916, my hon. friend spent $1,307,480.46 on immigration and with that increased expenditure of some $228,000 my hon. friend succeeded in getting 48,537 people to Canada. From my hon. friend's immigration work, it seems that the more money he spends the fewer immigrants he secures. I do not know whether that is a splendid rule to apply for the purpose of economy in war time or not, but perhaps the minister is acting according to the words of the Minister of Finance who always declares that no matter what shortcomings the Government have committed at any time and under any circumstances, everything is done for the purpose of winning the war. My hon. friend was throwing away the money of the people of Canada to the extent of $228,000 a year and he was getting only 48,000 immigrants, whereas, under the guidance of my hon. friend from Edmonton (Mr. Oliver), and with a much smaller expenditure, over 311,000 people were induced to come into Canada. My hon. friend was good enough to refer to my criticism with respect to these expenditures, and my figures, I think, are somewhat illuminating and will lead the House and the country to realize just what kind of reckless administration my hon. friend is carrying on in his department.

Mr. OLIVER: Has the minister the figures of the immigration for 1912, 1913, 1914 and 1915?

Mr. ROCHE: Yes; the immigration for 1912-13 was 402,432; for 1913-14, 384,878. Then the war came on and in 1914-15 the immigration was 144,789. In 1915-16 the immigration was 48,537,when the overseas immigration practically ceased and in 1916-17 the immigration, largely from the United States, amounted to 75,374.

Mr. MACDONALD: How many came from Great Britain in 1916-17?

Mr. ROCHE: 8,282.

[Mr. Roche.]

Mr. MACDONALD: And the balance from the United States?

Mr. ROCHE: Mostly, there were some from the Continent.

Mr. OLIVER: Has the minister the expenditures from 1912 and 1913?

Mr. ROCHE: In 1912-13 the expenditure was $1,399,954, and in 1913-14, $1,859,671. The expenditure has been considerably reduced every year since the outbreak of war. For the coming year the expenditure will be $700,000 less than it was four years ago.

Mr. OLIVER: There was an increase of about half a million dollars between 1912-13 and 1913-14, and a decrease of immigration of over 17,000.

Mr. ROCHE: It is impossible to figure immigration as costing so much per capita, because we have our standing expenditures that are running on. Some years, for instance, we have increased expenditure for literature. Our literature perhaps is going out in very large quantities this year, while next year that item will be considerably less, and it is impossible to judge accurately as to the expenditure being so much by reason of so many immigrants coming in.

Mr. COPP: I notice the estimate for immigration last year was $630,000. Was that whole amount spent last year?

Mr. ROCHE: No, of last year's estimate we expect to save approximately $400,000.

Mr. CARVELL: Before six o'clock I stated that I thought there were half a dozen immigration officers in the vicinity of this Mr. Hay, and the information I received from the minister was that there were none in the county of Carleton. I have here the Auditor General's Report for the year 1915-16. Of course, I do not know what may have taken place since the 31st day of March, 1916, but there has not been very much of a change unless it be upwards. I would like to call the minister's attention to this. I stated that I thought there was an agent at Debec junction, which is only eleven or twelve miles from Woodstock. There you have Mr. R. E. Kennedy, with a salary of $900, and expenses of uniform suit, $20; meals, $55.20; sundry outlay, $7.26, making a total of $982.46.

I come next to a place called Richmond, N.B., only six miles from Woodstock. There you have an inspector named Daniel Barrington, at $300. At Centreville, a few miles north of Woodstock, is A. C. Gibson, with a salary of $79.44. So there you have three

men all around Woodstock. I think, perhaps, they are doing something, although there may be a little less to do than some years ago. These men, who are really looking after immigration business, are getting salaries ranging from $79.44 to $900, and yet this other man, who is simply a Conservative organizer, is getting nearly $2,000 a year; that is the objection I have to make. I think I am justified in bringing this matter up and asking the minister to cut this item out, or at least to make a thorough investigation before he proceeds with it. All along the boundary line, at Grand Falls, St. Leonards, Canterbury, McAdam Junction, St. Stephen, there are immigration officials receiving from $300 to $900 a year. I admit these men are doing something. They are at the proper location, and I am not asking that their services be dispensed with, but here is a man receiving this enormous salary and doing absolutely nothing. I am sure if the minister looks up this man's diaries he will find he has done practically nothing. I was sure when I made my statement this afternoon that there were other officials in that district, and I have now given the minister the names. He will find them in the Auditor General's Report for 1916, pages K-36, 38, 39, 40.

Mr. ROCHE: There must be a misunderstanding. We were discussing whether Mr. Hay occupied the position of colonization agent in the county of Carleton. The men whose names the hon. gentleman has mentioned are boundary inspectors. There are quite a number of them in the province of New Brunswick.

Mr. CARVELL: If there are any more in the county of Carleton I should like to have their names.

Mr. ROCHE: The list for the province of New Brunswick is as follows: Willard Tucker, H. G. Maloney, W. H. Smith, C. H. Maxwell, R. W. Whitlock, R. O'Shaughnessy, H. W. Cleland, R. E. Kennedy, D. H. Purinton, E. W. Larlee, C. A. Kirkpatrick, F. A. Roy, L. R. Belanger, W. T. Perron, Thomas Levesque, A. C. Gibson, W. H. Hawthorne, J. A. Newman, Alvin Parker, Jos. B. Porter, O. Robinson, W. E. Spike, J. Theriault, T. H. Wetmore, J. J. Walsh.

Mr. CARVELL: I am not finding any great fault with the appointment of these gentlemen because they are located at points where people might come into the province, and they are rendering some service for their salaries. I would like to know whether Mr. C. A. Kirkpatrick of Grand Falls has been receiving his salary during the past year. I see he received a salary of $900 and the ordinary perquisites for the year ending March, 1916.

Mr. ROCHE: Mr. Kirkpatrick's name is on the list of our inspectors, and he has been drawing his salary of $900 during the past year.

Mr. CARVELL: Does the minister know whether he has been performing the services of his office or not?

Mr. ROCHE: Most assuredly he has, if he has been drawing his salary.

Mr. CARVELL: The minister may be surprised, but I can tell him that this man has only been in Grand Falls once or twice in the last two or three years on a visit. I don't want to say anything unpleasant, but I will say this much; this man is an officer in the King's army who has belonged to various units since he enlisted, and he has never left Canada. I wanted to know whether he was still receiving his salary from the Immigration Department.

Mr. ROCHE: He would be treated on exactly the same terms as others who enlisted before November, 1915.

Mr. OLIVER: A few days ago I asked for information in regard to enlistments from the Interior and Indian Departments. Could the minister tell me when I may receive the return?

Mr. ROCHE: I am informed that it will soon be ready.

Mr. OLIVER: I should be glad if the minister would expedite it as much as possible.

Mr. ROCHE: I will.

Mr. COPP: I understood the minister to say that Mr. Hay was doing work with the Farm Settlement Board in New Brunswick. As I understand it, the Farm Settlement Board is purely a provincial organization, which is concerned with the placing of settlers on the land. I cannot understand how Mr. Hay, a Dominion official, should have anything to do with provincial funds expended under this board.

Mr. ROCHE: I do not suppose the hon. gentleman objects to the Dominion Government paying Mr. Hay for doing colonization work. We are paying other gentlemen for doing similar work in other provinces. If

it is a fact that Mr. Hay is in the employ of the provincial government, I quite agree that he should not be drawing a salary from the Dominion Government as well.

Mr. COPP: I was not objecting to the salary at all. I had not heard of the gentleman until my hon. friend from Carleton spoke of him. My point was that the Farm Settlement Board was entirely a provincial matter, with which the Dominion Government had nothing to do.

Mr. CARVELL: Has any one been appointed temporarily in the place of Mr. Kirkpatrick at Grand Falls since he enlisted?

Mr. ROCHE: I cannot say offhand, but I can get the information for our next sitting.

Mr. DOUGLAS: Who is the immigration agent at Edmonton South?

Mr. ROCHE: Mr. Clegg is at Edmonton, Alberta. That is the only one at Edmonton that is given in the list before me.

Mr. MACDONALD: What duties are performed by Mr. Fielding, of Windsor, Nova Scotia, whose name appears in the Auditor General's Report as immigration agent there?

Mr. ROCHE: He is not now in the employ of the department.

Mr. MACDONALD: He is one of the men dropped last year?

Mr. ROCHE: Yes.

Mr. MACDONALD: Has anybody been appointed in his place?

Mr. ROCHE: No.

Mr. MACDONALD: Is T. J. Webb still in the employ of the Government at Antigonish?

Mr. ROCHE: He is not now in the employ of the department.

Mr. MACDONALD: I understand the Windsor office is abolished?

Mr. ROCHE: Yes.

Mr. OLIVER: Who is the immigration agent at Grande Prairie?

Mr. ROCHE: I have not in the list before me the name of any officer located at that point.

Mr. OLIVER: There is an immigration hall at Grande Prairie for which the department pays a rental of $65 a month. There are a considerable number of people going in, and I was curious to know to what extent the hall was being utilized. It seems strange that we should pay rent for a hall and have no one to look after it.

Mr. ROCHE: The hall is being utilized and a caretaker is in charge, but I have not his name before me.

Mr. OLIVER: A hall for immigrants will not take care of itself, and if the building is to be utilized—and I assure the minister it is desirable that it should be utilized, as a considerable number of immigrants are going in at that point—if there is not some person taking care of the hall the minister should make arrangements to have some person in charge. I believe that for some time the department was paying rental for this hall, and that, as it was not needed for immigration, it was being used for other purposes. But at present there is need for immigration accommodation at that point. I hope that the former condition does not prevail, but that the hall, which is not an unsuitable building for the purpose, is used and is properly taken care of.

Mr. ROCHE: The hall is utilized and some person is in charge, who is paid out of contingencies.

Mr. OLIVER: I have a question on the Order Paper, but, perhaps, the minister can give me the answer now. What number of people will this hall accommodate, and is sleeping accommodation provided?

Mr. ROCHE: It is a small building and not as suitable as we would like. I think there are nine beds in it. I understand the Public Works Department are negotiating for a more suitable place.

Mr. OLIVER: I did not inspect the building personally, but from the cursory view I had of it I should not say it was wholly unsuitable, and I should have thought that a larger number of beds than nine could be arranged in it. I suggest to the minister that he should take cognizance of the fact that there is a demand for immigration accommodation at this point, and that while he is arranging for his new building the present building should be utilized in the fullest reasonable measure. Grande Prairie is a railway terminal point in an area that is receiving a great deal of immigration attention and is a proper point for suitable immigration accommodation.

Mr. ROCHE: We do not desire to make an appropriation for a new building of this kind. Some negotiations have been carried

on for the renting of the Empire hotel there, which, I understand, would be a very good building for our purposes. If it can be secured at reasonable rates we think it would be much better to take it for the next two or three years.

Mr. DOUGLAS: Following up my question with regard to Strathcona, I see by the Auditor General's Report that Adolphe Adam is named at a salary of $1,314. Can the minister inform me if Mr. Adam is still on the payroll?

Mr. ROCHE: I am inclined to think he is not. His name is not on the list before me as that of one of the officials at that point.

Mr. DOUGLAS: Is the minister aware of the reason why Mr. Adam is not on the payroll?

Mr. ROCHE: I am pretty sure his services were dispensed with.

Mr. OLIVER: While I do not wish to interfere with the minister's plan, I desire to say that in my judgment, if suitable arrangements can be made with regard to the Empire hotel at Grande Prairie, as it is a large building and moderately new, I think it would be wise to make arrangements for it as quickly as possible. Now is the time when the people are going in and the time when they need the accommodation. Two or three months from now they will not be going in. The present building, I should think, is not large enough to accommodate the people going in. So if there is to be a change the quicker the better.

Mr. ROCHE: I understand an officer was sent in there several days ago to try and get a building.

Mr. OLIVER: I am glad to hear it. I think there was an appropriation for an immigration hall at Spirit River.

Mr. ROCHE: I understand there is to be an immigration hall at that point. I think the Public Works Department have an appropriation in for its construction.

Mr. OLIVER: There are three points in the Peace River country that are receiving a very considerable immigration at the present time. There is, first, Grande Prairie, which is the terminal point of the railroads and from which radiates a settlement perhaps 60 miles in length by 25 miles in breadth. Then there is Spirit River, which is a smaller settlement and which is at the junction of the Grand Prairie branch railway. I do not know that there is any accommodation provided at the present time. I am under the impression that there is not, but I believe an appropriation was taken for the construction of a hall. I would be very glad to see a hall erected at Spirit River. The erection of the hall, if it is in progress now, will not be of very much present value. There are people going to that point at the present time and I would suggest that the minister take cognizance of the situation at Spirit River and secure, if possible on reasonable terms, immigration accommodation at that point without delay. I would like to say a word also regarding Peace River. Peace River is the terminus of the railroad on the Peace river and is the railway point for a settlement 60 miles in length and with prospects of growing up and down the river. I do not think there is any immigration accommodation at that point at the present time and I would urge upon the minister the desirability of securing, again if it is possible on reasonable terms, immediate temporary accommodation with the view of establishing permanent accommodation at whatever later date circumstances will permit. Grand Prairie, Spirit River and Peace River are all urgent in the matter of immigration accommodation during the present season.

Mr. CARVELL: I understood the minister to say that the Fredericton agency had been abolished. Am I right?

Mr. ROCHE: That is where Mr. Wilmot is?

Mr. CARVELL: Yes.

Mr. ROCHE: I stated that Mr. Wilmot asked to be allowed to continue doing his work but without pay.

Mr. CARVELL: I am not speaking of Mr. Wilmot alone but of the whole agency. I find a couple of names here in the Auditor General's Report—F. E. Fenety, assistant agent, $1,000 a year; a stenographer, Miss Thomas, $600 a year; a janitor, office expenses, etc.

Mr. ROCHE: I believe these are on the list yet.

Mr. CARVELL: That is what I think. What office do they rent in Fredericton and to whom do they pay the rent?

Mr. ROCHE: I will have to take a note of the question of my hon. friend as I am not personally aware of the circumstances.

Mr. CARVELL: While the amount is not very great, the remarkable thing about it is that there was a building erected in Fredericton some years ago as a post office and customs house. It was plenty large enough for a city the size of Fredericton for a good many years to come. But, a few years ago this Government, in its wisdom, erected another building immediately alongside of the old building at a cost of about $150,000. It seems rather remarkable that you have to go and hire an outside office to get public accommodation in the little city of Fredericton. It seems extraordinary that you have to pay $105 for office expenses and janitor when you have such splendid accommodation in Fredericton.

Mr. ROCHE: I have no personal knowledge of the building or as to who owns it, or what rent we pay for it, but I will take note of what the hon. gentleman has stated and make inquiries. Does the hon. gentleman know who owns the building?

Mr. CARVELL: No, I do not, but I have a very shrewd suspicion. I do not want to mention any names without feeling sure of them. I would be very much obliged to the minister if he would look into the matter and let us know who is receiving this small honorarium, because there is no office being occupied, and I doubt very much if there is any janitor being employed.

Mr. COPP: What position does Mr. Fenety hold there?

Mr. ROCHE: Assistant.

Mr. COPP: Last year he was assistant, but if there is no principal I do not see how there can be an assistant.

Mr. ROCHE: This gentleman has been there for some time and his services have been retained. Mr. Wilmot was informed that we would have to dispense with his services and we were about to close the office but the proposition was put up by Mr. Wilmot that he would be glad to give what services he could personally without charging any remuneration for himself. It is absolutely impossible to close the office entirely. I do not think he has any personal financial interest in having the office retained.

Mr. CARVELL: I have no objection to Mr. Fenety and Miss Thomas receiving their salaries, but it is an absolutely useless waste of public money. They are not doing anything because there is nothing to do and there never has been anything to do. There was a time when Mr. Fenety was interested to some extent in what they called the Farm Settlement Board, but it ceased to exist as an immigration factor three or four years ago. I do not think I am revealing any political secrets when I tell you that it will absolutely cease to exist in the course of a very short time because there has been a change in the affairs of New Brunswick within the last three months. As an immigration agency there is nothing doing, nothing has been done and nothing will be done, and unless my hon. friend wishes to keep these two people employed—the amount is not very great—he had better cancel the whole thing and get rid of the agency.

Mr. MACDONALD: In what foreign country has the minister Canadian agencies other than the United States?

Mr. ROCHE: We have no agencies now in any foreign country that I can recollect. We had one in Copenhagen. That has been closed since the war. We had one at Antwerp and that also has been closed. We had a Paris agency also. The foreign agencies have been closed except those in the United States.

Mr. MACDONALD: What is the expense of the Paris office?

Mr. ROCHE: In France there has been a very slight expenditure. We have a clerk, Mr. Martin, at $660 and a typist, Mrs. M. Martin, at $720, so that the total salaries there are $1,380.

Mr. LEMIEUX: I am glad that my hon. friend from Pictou (Mr. Macdonald) has raised this question about the different agencies in foreign countries. It seems to me that the Minister of the Interior should state the policy to be pursued by the department after the war as regards those European agencies. I concede that the best immigrants we can secure for the country are the Americans, although it is very difficult to draw a distinction between the American born and the foreigner who has settled in the United States. That may give rise to very serious difficulties in view of the problem which was raised a few days ago on the question of the franchise. The Government ought to have a policy for the period after the war. I put aside at once the question of encouraging immigration from the Central Powers to Canada. It would be a great mistake to attempt to attract to Canada people from Germany

or from Austria. But, although the losses caused by this war will be enormous and although there will be, on the part of those countries devastated by the war, a desire to keep their nationals within their own boundaries, yet, with millions remaining and with the horrors that the present war will have left in the minds of the present and the coming generations, it is to be hoped that thousands and hundreds of thousands will, after the war, seek a refuge and a home in America.

Of all the countries that we as Canadians must rely upon for an excellent stock, I shall name first the British Islands. I do not know to what extent immigration will come from the British Isles, but I daresay it will be far easier to secure immigrants from them than from any other countries because it seems that after the Conference which has taken place of late during the visit of the ministers to London the tendency in England will be to encourage Britishers to settle in the various dominions and colonies. That immigration will, of course, be welcomed to Canada. But we have other countries also to which we may look as fields for immigration. I hope, in spite of what has been said, that we may expect a large flow of immigration from little Belgium. We all know that Belgium is too small a country, geographicaly speaking, to contain its relatively large population. We were given some months ago, during a debate in this House, a statement of the number of people per square mile in Belgium. It is something appalling to think of the number of people who have to dwell on the few thousands of acres which comprise the area of little Belgium. It seems to me that the Belgians, who are such hard workers and such excellent operators, and especially such good farmers and gardeners, should be encouraged to come to Canada. I am not sure that the Minister of the Interior should not take advantage of the fact that at the present moment there are thousands, and I may say hundreds of thousands, of Belgians in England, and try to get some of those good immigrants for Canada.

It is very difficult to expect a large flow of immigration from France. Before the war even, it was difficult to attract settlers from France, and after the war it will be still more difficult, because so many thousands of young men have been mowed down since 1914. But still, from what I learn from my correspondents in France, it is remarkable how many Frenchmen would be pleased to come to Canada if they could receive the necessary encouragement from this Government. Some years ago a policy was inaugurated by the Government which gave excellent results. I remember the day when immigration to Canada from France was practically nil. But with a system of advertisement and with good immigration officers in Paris and in the various centres of France, a relatively large number of French immigrants came to Canada.

There are also immigrants of the best quality to be had from the northern section of Italy. I do not say that the southern section of Italy would be a proper field for Canadian immigration effort, but I do say that the northern part of Italy is an excellent field for securing immigrants. There is a large body of good farmers in that section of Europe. Some years ago a number of them came to Montreal and settled on the island, and I may say that to-day the most prosperous gardeners, and indeed the most wealthy gardeners, in that district are Italians. They come from around Milan and Turin, and have been quite a success in their farming venture on the island of Montreal. I hope that my hon. friend will add a little more to his expenditure for immigration officers in Paris. A well-managed, well-equipped agency at Paris, which is an important European centre, which send to Canada quite a large number of immigrants. I hope that the Government will soon announce its policy concerning immigration after the war.

Mr. ROCHE: The hon. gentleman is probably aware of the fact that the French Government are not in favour of our carrying on an active propaganda for the encouraging of emigration. They do not like to see their settlers emigrate; what we have done in France, therefore, has had to be done very diplomatically. Unfortunately, the gentleman who was our agent there enlisted and was killed. We have not been spending much money on this work in France. We have been doing some advertising, but it has had to be done in such manner as not to attract too much attention. We would not be permitted to carry on an active propaganda such as we do, for instance, in the British Isles. I understand that a proposal has been made by or on behalf of Mr. Roy, who is acting under the Prime Minister's Department, that the immigration staff be merged with that of his office. The immigration authorities, however, find that it is better that matters affecting immigration should be dealt with by a separate branch. In London at one time the immigration business was largely

handled through the High Commissioner's Office, but it was thought that the work would be done more advantageously and with less red tape and restriction if it was dealt with by a separate immigration branch. As to Belgium, it is not in favour of even the refugees coming across the ocean. The authorities there want to keep their own people in their own land in order to build up their devastated country after the war is over. Several offers have been made by Belgian priests to come over and act as colonization agents. By reason of communications which we had received from Belgium discouraging any attempts on our part to secure immigration from that country, I did not encourage this proposal. We have felt that we should not do anything opposed to the wishes of the Belgian people, especially with regard to attracting people from their own country during the war. As to an after-the-war policy, we have not yet matured any particular scheme. We think there is plenty of time, our information being that a large portion of the first year after the war will be occupied in bringing back our own soldiers, having regard to the facilities of transport. An after-the-war policy of immigration, however, has been under consideration, in respect not only of Britain, but of other countries as well. It will be formulated in due time; certain reforms may be adopted, and in connection with after-the-war conditions, the remarks of my hon. friend will be given full consideration.

Mr. LEMIEUX: Because of certain correspondence that I have received, I am aware that my hon. friend has done his best with regard to the French immigration office during the war. I hope that after the war he will see that the immigration office in France shall be properly equipped. Has my hon. friend been interviewed by a so-called delegate representing a Japanese company, and offering to get Japanese labourers to do farming work in western Canada?

Mr. ROCHE: I was interviewed by a representative of some company that was to be organized and incorporated if the Government viewed its proposals with favour. He did not in any capacity represent the Japanese Government, who were entirely unaware of his mission. The Japanese Consul here, to whom I referred the gentleman before giving the matter further consideration, did not, I think, view the proposal with favour.

Mr. OLIVER: Has the minister knowledge of an effort at Belgian colonization between Smoky river and Sturgeon lake in the Peace river country?

Mr. ROCHE: A Belgian priest waited on me some time ago, suggesting that he should be permitted to go to Belgium, bring some Belgians to this country and locate them on lands in Northern Alberta. I informed him that communications which we had received from the Belgian Government indicated their antagonism to the carrying on of any propoganda of that character. I did not, therefore, encourage the proposal any further.

Mr. MACDONALD: According to the Canada Year Book, there came from the United Kingdom, during the period from 1912 to 1916, a total of 483,225 people; from the United States, 476,965, and from other countries, 374,683. Adding to these figures those which the minister gave this afternoon as to the number of persons who came in during the last year, the approximate total for the five years and a half would be 491,000 from Great Britain and 916,658 from the United States and other countries. This disparity between the immigration from Great Britain and that from the United States and other countries is interesting, having in mind the suggestions made without due deliberation by some hon. gentleman with reference to the method of dealing with people who have come to Canada in large numbers in recent years, under the
10 p.m. tutelage and direction of this Government. I mention that simply because it is well that the figures should go on Hansard for future reference. I wish to ask the minister whether there is any truth in the rumour that a large settlement scheme is being arranged in Great Britain by certain well-known men who are said to be working in conjunction with this Government, under which certain lands in the Northwest are to be purchased and dealt with on a settlement basis.

Mr. ROCHE: If the hon. gentleman refers to the same report that I saw in the press, so far as this department is concerned there is nothing in it. No negotiations have been made with any company of that nature.

Mr. OLIVER: Is this project to which the minister refers the same concerning which I have a question on the Order Paper? The general manager of the company is a Mr. Fletcher.

Mr. ROCHE: I informed the hon. member for Pictou (Mr. Macdonald) that no

negotiations at all have been conducted by this Government with any such company.

Mr. OLIVER: Has the department made any departure from the formerly settled policy to the extent of disposing of any land in the West by sale?

Mr. ROCHE: There has been no departure from that policy.

Administration of Chinese immigration, salaries, $24,000.

Mr. ROCHE: There is a decrease of $4,000.

Mr. OLIVER: What number of Chinese came into the country during the past year, and how does that number compare with the influx during preceding years?

Mr. ROCHE: In the year 1916-17, there were 121 exempt admissions and the head tax was paid on 272. In the year 1915-16, there were 69 exempt admissions, and the head tax was paid on 20.

Mr. OLIVER: Has the minister the figures of the last year in which the influx was large? I want to find out when the change took place between the very large influx of some years ago, and the present very small number of admissions.

Mr. ROCHE: In the year 1912-13, there were in round numbers 7,000 admissions on which the head tax was paid; in 1913-14, 5,274, and in 1914-15, 1,155.

Mr. OLIVER: Has there been some recent change in the imposition of the head tax in regard to any particular class of Chinese?

Mr. ROCHE: There has been no change except that embargo that was put on a couple of years ago by an Order in Council prohibiting the entry of labourers or artisans from any country into British Columbia, and, of course, that shut off the influx of Chinese into that province very materially, but there has been no change in the method of imposing the head tax.

Mr. OLIVER: That order is still in force?

Mr. ROCHE: Yes.

Mr. OLIVER: Was there not some recent change in regard to the admission of Chinese students?

Mr. ROCHE: There is legislation in contemplation at the instance of the hon. member for Pictou (Mr. Macdonald), who brought this matter up before the adjournment of the House in February. That hon. member thought we were dealing harshly with a particular class of Chinese, and I informed him at the time that it was the intention of the Government to introduce at this session legislation waiving the head tax on Chinese students coming into Canada to attend educational institutions. The Bill has received its first reading and is on the Order Paper for second reading.

Mr. LEMIEUX: While I am raising no objection to the immigration of Hindus, which has been discussed by the Imperial Conference, because I am not so opinionated as are the members who represent British Columbia, yet I would like to have an expression of opinion from the minister in regard to that very important question. Since the news was spread broadcast that facilities would be given to Hindus to settle in Canada, bringing their wives with them, has the Government received any protest from the Government of British Columbia, or from the members who represent British Columbia in this House? Personally, I am not interested except from a sense of duty as a Canadian representative. I know that there is in the province by the Pacific ocean and in the other western provinces quite a sentiment against any more Hindu immigration. Let me give my experience to the minister. Some years ago it was my privilege to represent Canada at the inauguration of the new constitution in South Africa and I took that occasion to visit the cities on the coast of South Africa. I found that as a result of the immigration of Hindus, which had been encouraged by the then British authorities in South Africa, the cities and towns from Cape Town to the boundary line of Delagoa bay were filled with Hindus, and that they had practically obtained control of all the small trades in all those cities, towns and villages. I found the Hindus swarming throughout every part of South Africa. Now, if you go to Cape Town, Johannesburg or Durban, you find as many mosques as you find Christian churches. I do not raise this question to embarrass the Government as to the future; but in South Africa to-day, besides the ever-present problem of the blacks, you have the problem of the Hindus. Any man who has been in South Africa or any minister of the Crown in South Africa will tell you that a danger in that country to-day is the presence in such large numbers of the Hindus. Personally I have no objection to the Hindu, and I know he represents a very old civilization, but I am speaking for my hon. friends from British Columbia who some years ago were so

intense in their efforts to prevent any immigration from the Far East into their province. My hon. friend knows what an outcry was raised against the late Government because, forsooth, that Government was not for a white British Columbia. I see some hon. members here from British Columbia. They know what the policy is to-day, to pave the way for Hindu immigration into British Columbia, and yet not a sound is heard from them. Surely the minister must have received from those representatives very loud and strong protests against this new departure. The Hindus are going to come in; they are going to bring their wives with them—

Mr. ROCHE: Is that the case?

Mr. LEMIEUX: —and the white labourer will be at the mercy of our new fellow-British citizens of that vast country of India.

Mr. ROGERS: Where did my hon. friend get all that information?

Mr. LEMIEUX: I got it from reading the report of the Imperial Conference.

Mr. ROGERS: My hon. friend had better read it again and read it correctly.

Mr. LEMIEUX: The report has not been laid upon the Table, but I know enough to say that this policy is to be encouraged, and as you have admitted India into the councils of the Empire, surely India is not going to sit silent and to be refused admission into the British dominions. The Government knows more than I do, and I would like to know what their policy is on this question.

Mr. ROCHE: I am afraid the hon. member has formulated a policy for himself on a newspaper report. I did not so understand what I read. I have not had the opportunity of discussing the matter with the Prime Minister, but I understand that at the conference certain proposals were made by the representatives of the various governments. Those proposals were not laid down as a policy, nor have they been acted upon by any government; they were simply to be referred to the respective governments for consideration, and they have not even been considered by this Government. So that when the hon. member talks about the Government permitting the almost indiscriminate immigration of Hindus into British Columbia, he is drawing pretty largely upon his imagination, for no such policy has been decided upon, and consequently no protests have been heard. I think it will be time enough for the British Columbia members to protest when they realize there is something tangible to protest against. There is undoubtedly a feeling in British Columbia against indiscriminate Oriental immigration. There are comparatively few Hindus in British Columbia at the present time. A few years ago there were from 5,000 to 6,000, but many of them have gone to their own country or to California, and now there are not more than 2,000 in that province.

Mr. OLIVER: In making his announcement to the House as to the proceedings of the Imperial Conference, I was surprised to hear the Prime Minister say, if my memory does not deceive me, that a resolution was passed that India should be represented at future conferences on the same basis as the other dominions, and that he had moved or agreed to an arrangement whereby the rights of Hindus in Canada would be measured by the rights accorded Canadians in India. Now that seems to be going very far towards assuming a direction and authority that certainly should not be assumed lightly, and which in my humble judgment should not be put forward except through this Parliament of Canada. The question of Oriental immigration has been serious in Canada in years past, and if the Prime Minister truly expressed the attitude of this new cabinet of the Empire towards the subject of Hindu immigration into Canada, I would say that our position will be very much more dangerous in the future than it has been in the past. I say nothing against the people of China, or Japan or of India. Their civilizations are older than ours. For them their civilizations may be better than ours. But they are not ours. Our civilization suits us just as their civilization suits them, I suppose. Our purpose in this country is to establish firmly, to build up and improve our civilization according to our best ideals, and we can only do that by retaining the control and direction of affairs in our own country so that we may direct them in the interests and up-building of that civilization. If, in dealing with those older civilizations which come amongst us, our hands are tied by Imperial authority, then we are handicapped in the purpose we had in view in establishing ourselves in this country. We claim that this Empire of ours is the most perfect fruit of the civilization of which we are a part. Our claim is that it stands to-

day at the head of white civilization. It can only retain that position by being maintained by a white civilization, and that white civilization must be maintained in the self-governing dominions of the Empire, or this Empire cannot be maintained finally and completely as a white man's empire. There may from time to time be occasions when it seems for the moment to conduce to the welfare of the Empire to permit the projection of this Oriental civilization into the white civilization of this or that or the other dominion, but under no possible circumstances can it be for the ultimate welfare of the Empire to permit that projection of these Oriental civilizations.

We have here a country of vast extent, of marvellous resources, of tremendous possibilities, with a population of 8,000,000. Our Pacific province is just as well suited for occupation and exploitation by the people of China and Japan as by ourselves, and it is approximately just as well suited for occupation and exploitation by the people of India as by ourselves. There are 300,000,000 people in India, 400,000,000 in China, and from 40,000,000 to 50,000,000 in Japan. To permit the movement of people from any or all of these countries into Canada at their individual will or wish could, and ultimately, we may say, would, under certain circumstances, mean the submergence of white civilization, certainly in our Pacific province, and I see no reason why not from one end of the Dominion to the other, without the drain being noticed in either one of these three Oriental countries. A successful policy of peaceful penetration is conquest and destruction just as much as occupation by force of arms; and if we do not, as a country, and as an Empire, recognize that fact, then we are building for nothing and our hopes will not bear fruit.

It is held by some that a citizen of the British Empire should have equal rights with every other citizen in every part of the British Empire. That sounds well, and there may be conditions when it would be desirable. But in this British Empire, which includes a portion of every quarter of the globe, and every race of men, and every form of civilization on earth, however beautiful it may be in theory, it is not possible in practice. We need not discuss the theory. We may be well satisfied to consider our own circumstances and conditions and to guide our course accordingly. It is absolutely necessary for the preservation of our civilization that we should retain to ourselves the right to say who shall and who shall not be admitted to the advantages, the benefits, the occupations, or the citizenship of this country. There is no other way by which we can retain and control the civilization that we have established, that we enjoy, and that we intend to transmit to the generations that are to come after us, that they too may continue to improve it. There is no Imperial exigency, there is no condition of world politics, or of world war, that can be allowed to derogate from that right and the exercise of that right. It is a fact that there are soldiers from India fighting the battles of the Empire; and that the soldiers of Canada are fighting the battles of the Empire. They are both fighting in the same cause. But that does not say that the citizens of Canada may project their civilization amongst the peoples of India any more than it says that the peoples of India shall be entitled to project their civilization amongst the people of Canada. India is fighting for her liberty, to do what she pleases within her own area. Canada is fighting for the same purpose. The fact that we are fighting to protect our rights and interests in our own country gives us no right or authority to dictate to the peoples of some other part of the Empire what they shall do in their country and under their own conditions. So we say, however well the soldiers of India may fight, however much India may do in the cause of the Empire, we still have the same right to protect ourselves and our own country, to protect the civilization our fathers established here, civilization that we are giving our best endeavours to build up, and to-day are making sacrifices for, in order that we may transmit it to our children that they may carry the torch of liberty and civilization on down the ages.

Mr. ROGERS: The remarks of the hon. member for Edmonton (Mr. Oliver) would tend to give the House the impression that some rights of this Parliament, or of the Canadian people, have been given away as a result of the recent Imperial Conference. Let me assure my hon. friend that no rights have been given away, that there has been no thought of any rights as likely to be given away. We did discuss with the Indian representatives the question of immigration, and we distinctly and clearly informed them that it would be impossible for us to hold out any hope of any particular change in respect to immigration to the province of British Columbia. The only thing that passed was a resolution to sub-

mit to the people and Parliament of Canada favourable consideration of the position the Indian Empire is taking in this great struggle, in which their soldiers are fighting side by side with the soldiers of the other parts of the Empire, while their people are assisting by large contributions of money toward the purposes of the war. We said that we would give favourable consideration to the requests they made, but we assured them that we had not any hope that these representations would meet with any success in the way of a change in the policy that Canada had adopted in the past with respect to immigration from the Indian Empire.

I rise to say this word in order that the statements that have fallen from the lips of the hon. member for Edmonton may not be misunderstood either by this House or by any portion of the country. I am sure he does not desire to create a wrong impression, and it would be most undesirable that a wrong impression should be created. We appreciate, I am sure, what the Indian Empire is doing in the war. At the same time, the hon. member (Mr. Oliver) correctly stated the condition when he said that we, too, are fighting for our rights, and that we in Canada have our rights, as they in India have theirs. We purpose to maintain the right that we have ever maintained, that of receiving and accepting those who, we think, will make desirable settlers in the building up of the great population of the Dominion. We discussed the matter with the Indian representatives, but we have promised nothing more than was stated to the House by the Prime Minister the other day. Nothing has been given away and there is no understanding that anything shall be given away in the policy with regard to foreign immigration coming to Canada at the close of the war.

Progress reported.

THE RIGHT HON. A. J. BALFOUR.

Mr. ROGERS: Mr. Speaker, with the consent of the House, I would move that when this House adjourns to-night it stand adjourned until two o'clock on Monday next. This is suggested in view of the fact that we are to be honoured by the visit of a very distinguished gentleman on Monday afternoon. I beg to move that this House do now adjourn and that it stand adjourned until two o'clock on Monday next.

Mr. OLIVER: Will there be any business besides meeting this distinguished gentleman?

Mr. ROGERS: Most of the afternoon, I presume, will be taken up by Mr. Balfour, and after that we will go on with Estimates or business of that kind.

Motion agreed to, and House adjourned at 10.45 p.m. Friday until two p.m. Monday, May 28.

Monday, May 28, 1917.

The House met at Two o'clock, the Speaker in the Chair.

SITTING SUSPENDED.

Hon. ROBERT ROGERS (Minister of Public Works): Mr. Speaker, in view of the fact that our guest of to-day, the Right Hon. Mr. Balfour, will not be here until three o'clock, I would suggest that the House rise, to meet again at that hour.

Mr. SPEAKER: I declare the sitting suspended until three o'clock. Let the doors be opened.

And the sitting of the House was accordingly suspended for one hour.

THE RIGHT HONOURABLE ARTHUR JAMES BALFOUR.

RECEPTION TENDERED BY THE PARLIAMENT OF CANADA.

The House resumed at three o'clock to receive the Right Honourable Arthur James Balfour, and to tender a reception to him by the Parliament of Canada, the members of the Senate of Canada with the Speaker of the Senate being present for the occasion in the Chamber of the Commons.

The Right Hon. Sir Robert Borden, Prime Minister of Canada, and the Right Hon. Sir Wilfrid Laurier, leader of His Majesty's Opposition, accompanied by Colonel Harry Smith, C.M.G., A.D.C., Sergeant-at-Arms of the Commons, met Mr. Balfour at the entrance to the temporary parliament buildings and accompanied him to the Chamber of the Commons.

In the Chamber, Sir Robert Borden, and Sir Wilfrid Laurier escorted Mr. Balfour to the dais and presented him to the Speaker of the Commons and to the Speaker of the Senate, beside whom he was seated.

The members of the Commons, the members of the Senate, and the audience in the galleries rose as Mr. Balfour entered and joined in the singing of "God Save the King."

ADDRESS BY THE SPEAKER OF THE COMMONS.

The Honourable EDGAR N. RHODES, Speaker of the House of Commons of Canada, addressing Mr. Balfour, said:

Mr. Balfour, on behalf of the House of Commons, I deem it a privilege as well as an honour to offer you a cordial welcome to Canada and to this House. We recognize in you a statesman who has enjoyed in marked degree the confidence of the people of the Motherland during a career of forty-three eventful years of most valuable public service, during which period you have occupied many offices of great trust, including the highest in the gift of the State.

We welcome you also because of the special circumstances surrounding your mission to this continent and the representative character of your visit.

It is our belief that the visit of yourself and your associates to our neighbour and ally, the United States, has been greatly helpful to the cause which we all have at heart, and our prayer is that your work there may be abundantly blessed.

May I express the hope that your stay here, though all too brief, may be pleasant, that you will carry with you agreeable memories of Canada; above all, that on your return to the Homeland you will feel justified in delivering this message—that we stand firmly with Britain, the other dominions overseas, and our Allies, in fixed determination that the great principles for which we are fighting shall be maintained, and that to the measure of our ability we are prepared, willingly, to bear our full share of the common burden.

ADDRESS BY THE SPEAKER OF THE SENATE.

The Honourable JOSEPH BOLDUC, Speaker of the Senate, addressing Mr. Balfour, said:

(Translation) Mr. Balfour, on behalf of the members of the Senate of Canada, invited for this memorable and epoch-making event, I deem it a great honour to join with the Speaker of the House of Commons in offering you a cordial welcome to Canada.

In your person we greet the eminent statesman who has been enjoying, for nearly half a century, the confidence of the people of the Mother-land and who, during that eventful period, has rendered the most signal public service to his country, having occupied many offices of great responsibility, including the highest in the gift of the nation.

We also welcome you as the worthy representative of the great British Empire, in view of the special circumstances surrounding your mission to this continent.

It is our belief that your visit to the neighbouring Republic, our Ally, will be most fruitful in mutual advantages to the cause which is dear to our hearts, and we fervently pray that your efforts in that direction may be successful.

We hope that your stay here, though too brief, may be pleasant and that you will take with you agreeable memories of Canada.

Above all we cherish the hope that on your return to the Home-land you may feel justified in delivering this message to the people of the United Kingdom: that in common with Great Britain, and the other dominions overseas and our Allies, it is our unalterable determination to hold fast, and never relax our efforts in upholding the sacred principles for which we are fighting, and in bearing our full share of the burden of the war.

SPEECH OF RT. HONOURABLE MR. BALFOUR.

The Right Honourable ARTHUR JAMES BALFOUR first spoke in French as follows: Messieurs les Présidents, honorables messieurs du Sénat, messieurs de la Chambre des communes: Il m'est inutile de dire combien je suis touché de l'accueil qui vient de m'exprimer le Président du Sénat et le Président de la Chambre. Je les remercie cordialement de leurs généreuses paroles de bienvenue.

Vous me pardonnerez sans doute si je ne m'exprime pas en langue française avec la facilité que je désirerais. Mais je m'en console en me souvenant que vous venez d'entendre un maître de l'éloquence, le grand Viviani, digne représentant de notre grande et chère alliée, de ce pays où se battent en ce moment les soldats des deux races, française et anglaise, menacées d'un péril commun.

Notre Canada a été créé par le génie des deux races—anglaise et française. Chacune de ces races a conservé sa langue, sa religion, son caractère national. Côte à côte, elles ont vécu, elles ont grandi, et à ce moment des milliers des plus braves parmi les fils du Canada sont allés outre-mer et ont prêté leur concours pour chasser les Allemands de la terre de France et pour délivrer le monde de la menace du militarisme prussien.

TRANSLATION OF MR. BALFOUR'S REMARKS SPOKEN IN FRENCH.

Mr. Speaker of the Senate, Gentlemen of the Senate, Gentlemen of the House of Commons:

It is not necessary for me to say how deeply moved I am at the cordial welcome which has just been tendered me by the Speakers of the Senate and of the House of Commons. I thank them most heartily for their generous words of greeting.

You will no doubt pardon me if I do not express myself in the French language as fluently as I would desire. But I am comforted by the thought that you have lately heard a master of eloquence, the great Viviani, worthy representative of our great and dear ally, that country where at this moment French and English soldiers, representing the two races, are fighting side by side and facing a common peril.

This Canada of ours has been created by the genius of those two races, English and French. Each has maintained her language, her religion and her national spirit. Side by side they have lived and have thrived, and at this moment thousands of the bravest sons of Canada are over the seas lending their aid to drive the Germans from the soil of France, and to rid the world from the menace of Prussian militarism.

The Right Hon. Mr. BALFOUR then, speaking in English, said:

Mr. Speaker of the Commons, Mr. Speaker of the Senate, Honourable Gentlemen: I turn to a language which I do not admire more than the one I have been somewhat imperfectly speaking, but one with which I am very much more familiar. Perhaps you will allow me to make the rest of my speech in accents that come more familiarly to my tongue.

Ladies and gentlemen, it is with the profoundest emotion that I enjoy this opportunity of meeting the two Houses of the Canadian Parliament in joint session. Many of your most distinguished members are, I think I may venture to say, personal friends of my own; I have seen them and have enjoyed their company in the Home land, and now that I come here and have again the opportunity of renewing my friendship with them it is not merely a personal pleasure to interchange ideas and to come in contact with them as those responsible for the government of this great community, but there is a special emotion in feeling that I come at one of the greatest crises not merely in the Imperial history of Great Britain, but in the world history of civilization.

Gentlemen, I do not believe that anything more unexpected to the outside world has ever occurred than the enthusiastic self-sacrifice with which the great self-governing Dominions of the British Empire have thrown themselves into this great contest. The calculation of the ordinary foreign politician, and especially of the German politician, was that the British Empire was but a fair-weather edifice, very imposing in its sheer magnitude and in the vast surface of the globe which it occupied, but quite unfitted to deal with the storm and stress of war; destined to crumble at the first attack, and, like a house built on the sand, to fall to a great ruin. I do not think myself that that was nearly so foolish, or so obviously idiotic a miscalculation as some of those others in which our German enemies have indulged. On the face of it, to those who are ignorant of the inner spirit which animates the British Empire from one end to the other, it would be impossible to conceive of a great State which apparently was less well fitted to deal with the terrible stress of war. Take up the map and you see large tracts of the world coloured red. They are separated by vast oceans, they encircle the globe; and while the fact that the sun never sets upon the British Empire may be proof of its magnitude, it is no evidence of its strength. Moreover, remember what the foreign speculators about the British Empire must have thought before the war began. They said to themselves: This loosely constructed State resembles nothing that has ever existed in history before; it is held together by no coercive power; the Government of the Mother Country can not raise a corporal's guard in Canada, Australia, New Zealand, or wherever you will; she can not raise a shilling of taxation; she has no power to do so. But, they forgot that power which a certain class of politician never remembers—the moral power of affection, sentiment, common aims and common ideals. Even those of us who most firmly believed that the British Empire, a new experiment in the long history of the world, was going to succeed; even those who, like myself, took a sanguine view of the future of our great Empire, must have felt—so loosely was it knit, so vast were the areas that it covered, so improbable that this immense body should be animated by one soul, or that the indirect thrill of a common necessity should vibrate, as it were, from pole to pole and everywhere meet with a response—that such a dream was difficult, and such an ideal hard to carry into effect. When, unexpect-

edly, without giving an opportunity for preparation or discussion or propaganda, war burst upon the world even those animated by such a feeling might well have doubted whether this great Empire—each unit of which had it in its power to hold aloof had it so desired—would act as one organization animated by one soul, moved by one purpose and driving towards one end. It seems to me almost a political miracle, but the miracle has occurred; and no greater event in my opinion has ever happened in the history of civilization than the way in which all the co-ordinated democracies, each one conscious of its separate life, each one not less conscious of its common life, have worked together with a uniform spirit of self-sacrifice in the cause in which they believed that not merely their own individual security, but the safety of the Empire and the progress of civilization and liberty itself were at stake.

Now, ladies and gentlemen, it seems to me to be interesting to compare the picture which I have just endeavoured imperfectly to draw of the British democracies working freely together, each under its own institutions, each according to its own lights, towards a common and unselfish end, with what is happening, and has happened, in the Central Powers of Europe. There you find also many communities, independent, or nominally independent, of any alliance, working together towards objects which they, at all events, conceive to be in their own interests. But how different is that bond which unites them, how different are the ideals which they pursue! At this moment, if all the stories which reach us from every source have the least grain of truth in them, you have Germany fighting for her own self-centred ends, encircled by a set of states which she has brought under her control, who love her not, whose interests are really not identical with hers but which she has got into her grasp, and which doubtless, if they could, would carry out their own policies in their own fashion. The greatest of all these powers is Austria; and yet we all know, or all of us who have access to authentic information know, that Austria is not working with Germany as we are working with France or as the different units and elements of the British Empire are working with each other. Germany has so contrived her diplomacy and has so arranged her material forces that Austria perhaps has not a will of her own; but, if she has a will of her own she is quite incapable of carrying it out. What is true of Austria is true, with qualifications and differences, of the other allies who are fighting on the side of Germany. It is true of Bulgaria and it is true of Turkey. All of these are animated not by a desire for legitimate self-defence, not by a desire for freedom, not by a determination to reach any common end or to carry on any great civilizing work, but they, one and all, are merely pawns in the German game, moved as the German military party desires, not allowed to use their own resources for their own ends, not permitted to have ideals of their own or to pursue them for themselves, but all dragged into this great vortex of German ambition; all designed in the first place to supply the forces by which the war may be won, and, if the war is won, as I presume there may be some in Germany who think it will be won, by the Central Powers, then predestined to fall into their ordered places as satellites of the central Prussian sun, as subordinate powers destined to minister to her greatness, to her economic wealth, to her economic control over all other nations, but always in strict subordination to the dominant power.

That is the ideal of the Central Powers, and it is because the world has begun to discover that that is their ideal; because the world now knows that the war was deliberately arranged by the Prussian military party that the provocation which was its nominal excuse was deliberately contrived; that the moment was carefully chosen, and that the ends were the selfish ambition of this military class—it is because the world has discovered this, that wherever you find a free democracy, wherever you find the spirit of liberty abroad, wherever you find that great spirit of self-development on national lines, there you will find friends of the Allies, there you will find enemies of the Central Powers.

Ever as the months go on, it becomes more evident that this is a world war between the powers of democracy on the one side and the powers of autocracy on the other side. We in this room, whatever shades of differences may separate us, can, in such a contest, take only one side. We can only be on the side of democracy.

We are convinced that for every human combination which has reached the degree of civilization and development that has been attained by all the great western communities, there is but one form of Government, under whatever name it may be called, and that is the Government in which the ultimate control lies with the people. We

have staked our last dollar upon democracy, and if democracy fail us we are bankrupt indeed. But I know that democracy will not fail us.

I do not pretend, I do not think anybody who has ever studied the history of the past or has looked with impartial eyes upon the present which will soon be history, for a moment deceives himself with the idea that democracy is an easy form of Government. Gentlemen, it is the only form of Government, but it is not an easy form of Government. It has inherent difficulties; it has always had them, it always will have them, and I am not sure that every race is gifted enough to surmount these difficulties. That the great countries that represent western civilization not only can overcome these difficulties but have largely overcome them already, I think is assured. But do not let us imagine that the task, however successfully it may have been accomplished up to the present time, is one which does not require our constant efforts lest, where failure is easy, failure should occur. After all, when German militarism laid it down, as it has always laid it down, that democracy is not capable either of a far-sighted policy or of vigorous co-ordinated effort, it made a great blunder—but it made a blunder for which there is some excuse. It recognized how hard has always been found, —not now particularly but always,— the task of managing a great community of free men and directing and concentrating all their efforts and all their sacrifices, at any given moment, upon one great object. That can be done, no doubt, simply and effectively by a military autocracy. It can be done more easily; it can in appearance, (though I think only in appearance), be done much more effectively. But when democracy sets itself to work, when it really takes the business in hand, I hold the faith most firmly that it will beat all the autocracies in the world. But, it will not beat them easily; it will not beat them without effort; it will not beat them unless it is prepared to forego, temporarily it may be, those divisions which, in a sense, are the very life blood of a free, vigorous, and rapidly developing community. That is the paradox and the difficulty which lies at the root of democracy. You cannot have a democracy without a collision of opinions—at least I think not. You cannot have a democracy without parties, because parties are, after all, but the organization of differences of opinion, and the paradox and the difficulty of democracy is how this normal and this healthy habit is to be got over when, in moments of great national crises, the efforts of every section and every party must be subordinated to one overmastering purpose.

I am addressing a body of responsible statesmen who know how institutions are practically worked, who get their knowledge not from books but from experience; and they are the best audience in the world for dealing with matters which perhaps may seem to you too abstract to be proper subjects of discussion on such an occasion as this. But I, who have seen the democracy of the Homeland at work since the beginning of the war, who have then had the happy opportunity of seeing on this continent another great democracy girding itself for the struggle to which it is now finally committed,and who have the inestimable privilege of meeting this gathering of my fellow countrymen in the greatest of our self-governing Imperial elements—I who have had these advantages am deeply impressed both with the power of a democracy to overcome the difficulties of which I speak, and of the necessity for its overcoming them. I suppose you have your difficulties, as undoubtedly the United States has had its difficulties, and as most assuredly we in the Motherland have had our difficulties. If those difficulties seem at any given moment to be hard to overcome, do not for a moment let you faith fail you. You are worthy representatives of those principles of constitutional freedom which in their modern developments are the invention of the British race, and which, on the whole, have been practised with at least as much success by the British race as by any other race in the world.

That Canada is with the Allies through all difficulties to a final and triumphant conclusion of this great conflict is the message which you, Mr. Speaker of the House of Commons, and you, Mr. Speaker of the Senate, have asked me to convey to the Motherland. In the truth of that message I firmly believe. I know that the democracies of the old world as well as of the new—whether they belong to the British Empire, or are outside of it; whether they speak the English language, or the language of other free nations—will come out of this struggle not merely triumphant in the military sense, not merely conquerors where victory is essential to civilization, but strengthened in their own inner life; more firmly convinced that the path of freedom is the only path to national greatness; and with the lesson fully learned, that patriotism will always

overcome the dangers and difficulties inherent to a democratic constitution, and that the strength which is derived from having behind effort the consent of a free people, is greater than all the strength that can be secured by the most elaborate, the most tyrannical, and the most well thought-out system of military despotism.

I most gratefully thank you for having listened to me. I shall carry back from this meeting the message which has been entrusted to me by the Speaker of the House of Commons and by the Speaker of the Senate. And I shall do more; for I hope however imperfectly, to convey to my friends in the Motherland the tidings that the spirit which animates their children here is not less ardent, not less resolute, not less firmly devoted to the achievement of a final victory than that by which they themselves are ruled.

Right Hon. Sir ROBERT BORDEN (Prime Minister): Mr. Speaker of the Senate, Mr. Speaker of the House of Commons: It is wholly unnecessary for me to say that the Parliament of Canada has listened with the most profound interest and the most intense appreciation to the message which has just fallen from the lips of the Secretary of State for Foreign Affairs in the Government of the United Kingdom. Perhaps we of this day and generation as yet only dimly realize the full significance of the great events which have brought about the presence of Mr. Balfour on this continent. It may be that those who come after us will see in the significance of those events something greater than we at present can discern.

It has been well said by the speakers who have extended the welcome of this Parliament and of the Canadian people to Mr. Balfour, that for many years he has given distinguished service to the Empire. We had the privilege of sitting with him in the Imperial War Cabinet beyond the seas, when he was called upon, shortly after the entry of the United States into the war, to undertake a mission of high importance to the great neighbouring republic. To them he has given his message many times and on many notable occasions, and on this the occasion of his coming to us, it is not inappropriate to say that this Parliament and the people of Canada have warmly welcomed the event which made the great neighbouring nation a participant with us in the fight for the liberties of the world. I have before referred to the fact that already in our own expeditionary forces there are fighting side by side with Canadians many thousands of those who were born on the other side of the boundary line and who owe their allegiance to the United States. To-day I say this further: in all that tends to the vigorous and effective prosecution of the war I am sure that the Parliament and the people of Canada will be not only disposed but anxious to co-operate in every effective way with the Government and the people of the United States. As streams from both countries, the tributaries of the great St. Lawrence, cast their waters into one noble river that flows and will flow for ever to the ocean, so, I am sure, the sympathies, ideals and efforts of both countries will join in a mighty stream of united endeavour towards the great common purpose of this war.

Mr. Balfour has brought to us a message of great moment, of much eloquence and of deep feeling. He has spoken of the part which the self-governing Dominions of the Empire have taken in this war. The people of Canada did not hesitate for a moment as to the part they should take. That question was settled once for all by Germany herself. She made the issue which this country, in common with the Motherland, the dominions of the Empire and all the Allied nations, have accepted; that issue we, in common with the other self-governing nations of our great Imperial Commonwealth, are determined to maintain until the end. The voice of this Parliament and of this people has been conveyed aptly and properly to Mr. Balfour in the message which has already been given to him by the Speaker of the House of Commons and the Speaker of the Senate.

No one should underestimate the difficulty in a free self-governing democracy of concentrating, to the exclusion of all other questions, however important, the intense effort of the people in the conduct of a struggle such as this. Mr. Balfour has said that democracy is more or less on trial in respect of its capacity, not only to make, but to maintain such an effort. While thoroughly conscious of the difficulties to which he has alluded, and which have already made themselves manifest in the Motherland and in other dominions of the Empire, and which may make themselves manifest in the great neighbouring republic, I am supremely confident with him that in this, the greatest self-governing Dominion of the Empire, those difficulties will be met and will be solved, and that the purpose of our people will be maintained until the cause for which Canada has entered this war has

been abundantly established and safe-guarded. I agree with him that if democracy is not capable of that devotion and that sacrifice, then democracy will have failed to justify its existence. I agree with him also that we cannot for one moment contemplate any such event or any such outcome.

A few weeks ago this Parliament had the privilege of listening to a most eloquent address from a distinguished statesman and orator, one who brought us a message, as it were from the very heart of things, a message from France which has endured with such wonderful patience, such splendid heroism and such remarkable fortitude all the barbarities and horrors that this war and the methods by which it has been waged have laid upon the French people. From what I have heard of that message, I am confident that it would be imperishable in the memories of all who had the privilege of listening to it; but nevertheless it was thought proper, and indeed it was most desirable, that it should be inscribed upon the records of this Parliament in order that it might remain as a witness to us and to all who come after us of what that great statesman desired to convey to us on behalf of the country and the people for whom he spoke.

And so to-day, having listened to the very moving and earnest address with which we have been favoured by Mr. Balfour, I am confident that my right hon. friend Sir Wilfrid Laurier will join with me in moving that the message to which we have just listened shall be inscribed upon the records of our Hansard and shall in that way endure for those of the present day and for those who are to follow us as the words of one whose great experience, distinguished ability and close association with the events of this war for more than two years enable him to speak with a peculiar authority. I therefore move, seconded by Sir Wilfrid Laurier:

That the speech of the Rt. Hon. Arthur J. Balfour, delivered before the Parliament of Canada to-day, be published in the official report of the Debates of this House.

I conclude by conveying, as I am sure I may convey, the most grateful appreciation and thanks of this House and of this country for his message. I bid him God-speed in the work which still lies before him, and I repeat once more that he may take back to those in the Motherland beyond the sea the firm resolve and determination of the Parliament and people of this country to do our duty to the end, whatever it may be.

[Sir Robert Borden.]

The Right Hon. Sir WILFRID LAURIER (Leader of the Liberal party): Mr. Speaker, and Mr. President of the Senate, I certainly, with the very greatest pleasure, second the motion of my right hon. friend the Prime Minister. I do it with all the more pleasure from the fact that the thoughts which have been expressed in such noble language by Mr. Balfour to-day are not thoughts for this day only, but are thoughts that have laid down a rule of conduct for all Canadians, not only in this emergency, but in their every-day life. Even now, after the many ovations which have been accorded spontaneously and enthusiastically wherever Mr. Balfour has appeared, ever since he has landed upon the shores of this continent, and which have grown in magnitude from the day he crossed over the border and entered into Canadian territory—even after all these demonstrations, Mr. Balfour can scarcely realize the depth and the warmth of the feeling with which he is greeted. When a man has risen to the high position which he occupies to-day and which he has occupied for so many years in the government of his country; when he has mounted from summit to summit until he has reached the highest pinnacle of fame and reputation, he need not be surprised if, wherever he appears, he is received with pride and acclamation.

But Mr. Balfour, I am sure, would be the first to recognize that the warmth of the reception which he has received, especially in this country, is not due alone to his great name and personality, but is associated with an even greater name, the name of England, the Champion of liberty, the mother of living nations.

England, great at all times, was never greater than at this moment; never was greater, I repeat, and because of what? Because to-day England is the home of civilization and the terror of the enemies of civilization. In Germany to-day the cry is, "Gott strafe England." But everywhere else, on the seven seas, throughout the five continents, in the mansions of the great, and in the cottages of the lowly, there rises every day the fervent and ever more fervent prayer, "God bless England." God bless England for all the sacrifices she has made, for the duties she has undertaken, for the risks she has assumed.

Undoubtedly in this great war—Mr. Balfour referred to it eloquently a moment ago—the greatest sacrifice of all has been made by France. That was unavoidable, because by reason of her geographical position, France had to bear the first shock

of battle. It was the good fortune of France at the battle of the Marne to shatter the plans of Germany; though it was not to be that she should win a decisive victory there. The war has gone on since and with varying fortunes, but we have reason to believe, and believe firmly, that victory, though it may be distant, is as sure as the rising of to-morrow's sun. Evidences are accumulating more and more, that after all the supreme battle, the final victory, will be won on the high seas. The strategy of Germany to-day is to starve England. The British people have accepted the challenge, and it is the British navy which will win the final victory. I pin my faith not on warships alone, but equally upon the merchant ships. Our heart goes out to the men on those merchant ships which day in and day out are sailing in and out of the ports of England with food, that she may continue her life. Every day sees these ships, insufficiently armed if not defenceless, putting out to sea regardless of the risk of being sunk by an invisible and cowardly enemy, and whenever one does get torpedoed she goes down with her sailors cheering to the last for England. This is the spirit upon which we rely for final victory, because we are confident that victory will be won not merely by cannon shots, but also by the living soul of man.

I have nothing to add to the message which you, Sir, will take back to England, and which has been expressed so eloquently by Mr. Speaker, but if I had to add one word, and one word only, it would be that you report to the people of England, to the people of Europe, to the people of the whole world that we Canadians stand to-day prouder of the British allegiance than we were three years ago.

The motion of the Prime Minister seconded by the leader of the Opposition that the speech of Mr. Balfour be published in the official report of the Debates of the House, was agreed to.

On the motion for Sir Robert Borden for the adjournment of the House.

Hon. Mr. PUGSLEY: Before the House adjourns I beg to propose three cheers for Mr. Balfour.

The members of both Houses and those present in the galleries joined in prolonged cheering.

Mr. BALFOUR: I thank you from my heart.

Motion agreed to, and the House adjourned at 4 p.m.

Tuesday, May 29, 1917.

The House met at Three o'clock, the Speaker in the Chair.

CRIMINAL CODE AMENDMENT RESPECTING INSURANCE.

Hon. C. J. DOHERTY (Minister of Justice) moved for leave to introduce Bill No. 54, to amend the Criminal Code respecting insurance. He said: This Bill is intended to complement the Bill introduced a few days ago by the hon. Minister of Finance (Sir Thomas White), the new Insurance Act. It was considered that the carrying on of business not in compliance with certain requirements of that proposed Act would involve so serious public wrong as to justify its being dealt with as a matter of criminal law. Further, it is considered desirable that it should be made quite evident that in dealing with the matter Parliament was dealing with it as a matter of criminal law, and this because of certain views that were expressed in connection with the litigation arising out of the previous Insurance Act.

Motion agreed to, and Bill read the first time.

PENNY BANK ACT AMENDMENT.

Sir THOMAS WHITE (Minister of Finance), moved for leave to introduce Bill No. 55, to amend the Penny Bank Act. He said: The object of this Bill is to authorize the boards of directors of penny banks to invest the funds of these banks in Dominion Government securities, subject to the approval of the Minister of Finance.

Mr. PUGSLEY: They do not issue any paper money?

Sir THOMAS WHITE: No.

Motion agreed to, and Bill read the first time.

BANK ACT AMENDMENT.

Sir THOMAS WHITE (Minister of Finance) moved for leave to introduce Bill No. 56, to amend the Bank Act. He said: This Bill is to authorize banks to loan money to farmers on live stock, taking a simple form of security therefor, under section 88 of the Bank Act.

Mr. GRAHAM: Does that lien rank ahead of an ordinary chattel mortgage?

Sir THOMAS WHITE: Legislation is to be introduced by which the law giving

authority to banks to make loans upon chattel mortgage upon live stock will be repealed.

Motion agreed to, and Bill read the first time.

BUSINESS PROFITS WAR TAX.

Sir THOMAS WHITE moved for leave to introduce Bill No. 57 to amend the Business Profits War Tax Act, 1916. He said: This Bill is founded on a resolution which has already been concurred in by the House.

Motion agreed to, and Bill read the first time.

PRIVATE BILLS.

FIRST READING OF SENATE BILLS.

Bill No. 51. An Act for the relief of Delbert Ralph O'Neil.—Mr. Buchanan.

Bill No. 52. An Act for the relief of Edward Austin Barnwell.—Mr. Bennett (Calgary).

TRANSCONTINENTAL RAILWAY.

REMOVAL OF RAILS FOR USE IN FRANCE.

On the Orders of the Day:

Hon. FRANK OLIVER: I desire to read a telegram which has relation to the taking up of the Grand Trunk track:

Pochahontas, Alberta, May 25, 1917.
Hon. Frank Oliver,
Ottawa, Ont.
Section men have started uncoupling track. Advise how we shall be taken care of.
Jasper Park Collieries.

I desire to advise the House that the Jasper Park collieries represent a capital investment of $600,000. Their April output was 7,700 tons. The collieries have a capacity of 12,000 tons a month, They have 116 men on the payroll, and their April payroll amounted to $11,846. During the past year the Grand Trunk bought from the Jasper Park collieries 82,450 tons of coal, and that road will need from these collieries 100,000 tons, this year. I desire to ask the Minister of Railways how it is proposed to handle the output of this mine when the railway track is torn up.

Mr. COCHRANE: The collieries have been informed that they will be looked after and that their business will not be interrupted.

Mr. OLIVER: I give notice that on a later occasion I will ask for leave to move the adjournment of the House for the purpose of discussing this matter.

[Sir Thomas White.]

PURCHASE OF CHEESE BY BRITISH GOVERNMENT.

On the Orders of the Day:

Mr. JOHN ANGUS McMILLAN (Glengarry): Mr. Speaker, I wish to draw the attention of the Government, particularly that of the hon. Minister of Agriculture (Mr. Burrell), to the question of the manufacture and sale of cheese. It appears that the Government appointed a commission a few weeks ago for what purpose I do not know, but although the commission has been appointed it is still, I believe, unorganized. We have been manufacturing cheese for the past seven weeks, but up to the present time we are not able to dispose of our cheese. The thing has become very serious. The factories have become so congested that they have no place to store their cheese and are not otherwise able to dispose of it, The Government, I understand, have undertaken through this commission, to have the British Board of Trade make an offer for the whole Canadian product, but up to the present time the Government has not succeeded in securing such an offer. New Zealand and Australia have already sold their cheese. The Americans are shipping out their cheese regularly from New York and several British ships have already carried United States cheese to British ports. Not a pound of cheese has left our ports up to the present time. Our farmers have become alarmed and it is a very serious matter for the business people throughout this part of Ontario.

Mr. SPEAKER: It is not in order to enter into a discussion. If the hon. member wishes to ask a question of the Government, there is no objection, in reason, to his laying the ground for that question, but he cannot discuss the subject.

Mr. McMILLAN: I will conclude by asking the Government if it is their intention to see to it that no further time shall be lost in having an offer made by the British Government for the cheese product of this country.

Sir ROBERT BORDEN: My hon. friend the Minister of Agriculture (Mr. Burrell) will doubtless give a fuller answer, but I may say that I am aware that certain communications during the past week or ten days have passed between this Government and the British Government in regard to the matter which the hon. gentleman has brought to the attention of the House. I understand from these communications that cheese is not being shipped from the United

States as mentioned by my hon. friend. I am quite confident that that is the information we have received. However, I shall direct the attention of the Minister of Agriculture to the matter and he will be able to give my hon. friend, I think, a fuller answer. I can assure him that we have not lost sight of the matter and that some urgent representations have been addressed on the subject.

Hon. CHARLES MURPHY: This morning I discussed this subject with the Minister of Agriculture, on account of representations made to me by some of my constituents. The minister gave me to understand that he was going to have an interview with a representative of the British Government this afternoon, and that he would make some statement a little later on the subject.

EMIGRATION RESTRICTIONS ON CANADIANS OF MILITARY AGE.

SUGGESTED SPECIAL PERMITS TO MEMBERS OF PARLIAMENT.

On the Orders of the Day:

Mr. A. K. MACLEAN: I would like to ask the hon. the Secretary of State (Mr. Patenaude) if he would favourably consider a proposition to issue to members of Parliament a passport or a permanent pass which would enable them to enter the United States without going to the trouble of appearing before a photographer.

Hon. W. J. ROCHE (Minister of the Interior): I may say to the hon. gentleman (Mr. A. K. Maclean) that there are application forms to be had from any of the postmasters and which have to be filled in. The permits are issued by the Dominion immigration officers. These officers are located on the boundary line and they board the trains.

Mr. A. K. MACLEAN: Cannot that be avoided by issuing special passports to members of Parliament?

Mr. ROCHE: Yes, they can be issued in the city from the office of the Superintendent of Immigration.

Sir ROBERT BORDEN: I understand that the hon. gentleman (Mr. Maclean) suggests that in so far as members are concerned, some more direct method might be devised so that they would not be put to delay or inconvenience. I will speak to my hon. friend the Minister of the Interior about that and he will endeavour to arrange it.

Mr. A. K. MACLEAN: It might not be necessary for those over forty-five years of age, but we do not all carry the family Bible with us to show the date of our birth.

Sir ROBERT BORDEN: It might be more convenient if we were all so provided on every occasion.

Mr. LALOR: I have found that a member's railway pass is all that is necessary on the border.

CORRECTION OF NEWSPAPER ARTICLE.

On the Orders of the Day:

Mr. JAMES MORRIS (Chateauguay): Mr. Speaker, I would like to draw the attention of the House to an article that appeared in Hansard on the 10th May. The hon. member for Laprairie-Napierville (Mr. Lanctot), in the course of a speech that he made on that date, quoted an article from a newspaper that is published, I believe, in Montreal, by one Tancrede Marsil wherein he states that previous to the election of 1911 I went down on my knees to some of his friends and begged them to allow me to take part in a meeting they were holding. I wish to say, Mr. Speaker, that that statement is absolutely without foundation.

An Hon. MEMBER: Never on your knees?

Mr. MORRIS: Never to a man of that stamp. I shall not attempt to read this article and I shall not comment upon it farther than to say that this gentleman devotes a good deal of time to heaping abuse on the head of your humble servant. I much prefer abuse from a man of that kind than his approbation. The hon. member for Laprairie-Napierville made other statements in reference to myself that I shall not allude to farther than to say that if he is proud of his alliance with Mr. Tancrede Marsil I doubt if any of his friends around him are.

CONSTRUCTION OF WOODEN SHIPS.

On the Orders of the Day:

Hon. WM. PUGSLEY: Is the hon. Minister of Trade and Commerce (Sir George Foster) yet in a position to make any announcement to the House in regard to the construction of wooden ships in Canada? In the absence of the hon. Minister of Marine and Fisheries (Mr. Hazen) I may say that he confirmed a statement which I made that the Imperial Munitions Board are limiting the size of these vessels to

2,500 tons. In consequence of quite large timber being required, these vessels can only be built on the western coast but there is a very large number of shipyards in the Maritime Provinces where vessels of from 500 to 1,000 tons could be constructed. I have had quite a number of letters from people who say that there are shipyards available. The Minister of Marine and Fisheries stated that he has endeavoured to find out why the Munitions Board limited the size to not less than 2,500 tons but he has not been able to get any satisfactory reason. I may say to my hon. friend that there is—

Sir GEORGE FOSTER: Be careful or you will be making a speech.

Mr. PUGSLEY: No, this is the reason for my question. There is a most urgent need of small vessels of from 500 to 1,000 tons in connection with the transportation business of Canada. In the city of St. John the question of anthracite coal has become most serious, the price is going up, the supply is getting very scarce and the dealers say that they do not know whether they will be able to supply coal to the people of St. John during the coming winter. That is owing to the scarcity of vessels. I do think that, while it is important to do what we can for the Allies in the way of transportation, it is important also to keep our own people from either starving or freezing to death. I should like to know if the Government have any communication to make in respect to the building of smaller wooden vessels in the eastern provinces.

Sir GEORGE FOSTER: I shall not imitate my hon. friend in making two or three speeches on different subjects, but shall confine myself to such answer as I can give, and make my answer as terse and brief as possible. The Imperial Munitions Board are building such vessels as they are building on the order of the British Government, and they build to the specifications that the British Government requires. The Canadian Government is furnishing no shipyards, making no contracts, planning and building no vessels other than the 2,500 tons vessels that are being built by the Imperial Munitions Board. My hon. friend knew that before, and I am afraid I have not added much to the sum of his knowledge.

Mr. PUGSLEY: Of course I knew that; but I want to know if the Government is going to do anything.

[Mr. Pugsley.]

Sir GEORGE FOSTER: I may say that with a Government so active and of such ability as ours, if I undertook to tell my hon. friend all we were going to do, I should be making a speech instead of answering a question.

Mr. PUGSLEY: I appreciate the sarcasm of the hon. minister.

SUPPLY.

PROPOSAL TO AMEND THE CUSTOMS TARIFF.

On the motion of Sir Thomas White that the House do go into Committee of Supply.

Hon. FRANK OLIVER (Edmonton) moved in amendment:

That all the words after the word "that" in the motion be struck out and the following be substituted therefor:

"In the opinion of this House it would be in the public interest if the Customs Tariff Act were so amended as to provide:

1. That wheat, wheat flour, and all other products of wheat be placed upon the free list.

2. That farm implements and machinery, farm tractors, mining, flour and saw-mill machinery, and repairs for same, rough and partly dressed lumber, illuminating, lubricating and fuel oils, cement and fertilizers be added to the free list.

3. That staple foods and food products (other than wheat flour), domestic animals and foods therefor, be admitted into Canada free of duty when coming from and being the product of, any country admitting like Canadian articles into such country free of duty.

4. That substantial reductions be made in the general tariff on all articles imported into Canada, excepting luxuries.

5. That the British Preference be increased to fifty per cent of the general tariff."

Mr. J. P. MOLLOY (Provencher): Mr. Speaker, it is not my desire, nor is it my intention, to prolong this debate at any length, but as this is a matter affecting the tariff, which is of vital interest to everybody in Canada, and particularly to the people in the county from which I come, I desire to say a word. I am heartily in favour of the amendment of my hon. friend the member for Edmonton (Mr. Oliver). His proposals are of vital importance to the people not only of western Canada, but of all Canada. In some sections of Canada, and in this House, the moment any one suggests any downward amendment to the tariff there are those who think that it is desired to injure the industries of this country, that is to say, the manufacturing industries of this country. We do not intend, nor is it our desire, to injure any one; but in asking for certain amendments and for reductions from time to time we do ask that the manufacturers of the articles which we use, day

in and day out, should lower their prices, or, in other words, be a little more reasonable in their charges. The one thing that is asked for in Canada to-day is production and more production. Well, lower the tariff and cheapen production. If you raise the cost of production so that your people produce at a loss it will result in stagnation, the very thing which at present we must try to and will avoid.

One of the reforms asked for in this amendment, free wheat, has been granted, and we hope that wheat will remain on the free list permanently. Free wheat has come after a lot of education and after a long wait on the part of the people. However, the people of this country will appreciate it, and we all appreciate it, I am sure, in western Canada, because it will be of direct benefit to us. In the United States, the nearest market to the producer of grain in western Canada,they find it more profitable to raise cotton and corn than to raise wheat, and they desire our wheat also for the simple reason that it is the best wheat grown in the world, and by taking our wheat, as they will, and mixing it with their own, they will produce foodstuffs of better quality than they otherwise could.

Many of the other articles mentioned in this amendment are of great importance to the people of the West. For instance, cement, which has become almost prohibitive in price, is in very general use. In Canada to-day every one, particularly the farming population, are using cement, they find it more profitable in the long run to build with cement than to use any other form of foundation, and that for many reasons. So it would be in the interest of the people generally to have the duty removed from cement.

Many other things which might have been added to the list are not included in this amendment. However, we should be very glad if we could receive what is now asked for.

In replying to the hon. member for Edmonton, the Minister of Finance made the statement that the farmers of Canada were never so prosperous as at the present time. I hope that is true, although I cannot agree with the statement. Last year it did not apply to the farmers of Manitoba by any means. The wheat crop of that province was ruined by rust. Very few farmers raised grade number three; the greater part of the wheat raised in Manitoba last year was grades numbers four, five and six, and the price paid was not $3 a bushel as some people imagine, either this year or at any other time. In the first place, the wheat was not there; the wheat was disposed of before this abnormal increase in price took place. The price which wheat has recently brought is, I say as a farmer, too high; it is too much for any bushel of wheat that has ever been raised. Wheat can be raised at a profit for a much lower selling price than $3. But the farmers of the country, with very few exceptions, did not receive any $3 for their wheat, although the people of eastern Canada are buying their flour at a price based on a price of $3 per bushel for wheat. Speaking from my own experience and that of the majority of the people in the district in which I live, and I think also of the majority of the people in the province of Manitoba, I can say that the price which the farmers received for their wheat was $1.20, $1.40, $1.60 or $1.70, and not $3; and the millers who are selling to the people of Canada flour at $15 a barrel, purchased the wheat from which it is made at the prices I have mentioned.

None of this profit came to us. We in western Canada never objected to the prices that we got for our produce, but we have, and with good reason, objected to the prices that we have had to pay for the things that we have had to buy. This brings us back to the question of farm implements. In western Canada farming is carried on on a large scale, particularly when it is compared with farming in the East. Consequently, to obtain the necessary large machinery, such as four-horse binders, ploughs, harrows, and such articles, entails considerable expense. The average man who begins farming in the West starts as a poor man, and the expenditure of a large amount of money at the outset is necessary in order that he may be furnished with all the things that he requires for farming. The price of farm machinery is going up day by day. If a few months ago you had asked any gentleman dealing in farm machinery in the West what was the price of a gang plough or binder, he would have said: it is so much now, but the price will be increased on the first day of May. I have no doubt that if you inquire to-day in the West as to the price of a binder, you will be told that the price is a certain amount, but that it will be increased after a certain date. The same applies to every article which the farmer in the West uses, and to none does it apply in a more marked manner than to tractors, tractor ploughs and engines. It is very necessary that the duties should be

removed from tractors, because labour is becoming very scarce. Never was the cost of farm labour so high in western Canada as it is to-day. A farm labourer is paid from $40 to $70 and, in some cases, $80 a month, board included. If the duty were removed from farm tractors and the people were enabled to buy them at a reasonable price, a great deal more work could be done, at the proper time, and for less money. If the duty were removed from the farm implements mentioned in my hon. friend's amendment, no injury would result to the manufacturer. The manufacturer would make a little less money; the farmer would save that much money, and be able to use it for some purpose connected with his work on the farm. In other words, the profits of the manufacturer would not be so great, but the farmer would be in a position to buy more goods, whether farm implements or otherwise.

The cost of labour, then, is increasing, as well as the cost of machinery, which has steadily gone up in western Canada during the last five years. The Finance Minister objects to interfering with the tariff in war time. He objects to a downward revision, but he has no objection to increasing the tariff during war time. As I have said, the majority of those who settle on land in western Canada are poor men, and the result is that in the prairie West the small farmer is leaving his land. Farms are becoming larger, because the man with little or no capital is not able to compete with the man of large means. Land, then, is becoming vacant; it is getting into a wild state; it is held by mortgage companies and speculators. It is not producing, at a time in our history when it is more necessary than ever that the largest possible amount of production should be obtained. The clearest statement that I have read or heard, and perhaps the most concise, regarding the situation in western Canada, was made by Hon. Mr. Brown, formerly Lieutenant Governor of the province of Saskatchewan. Mr. Brown, besides being a pioneer farmer, was one of the pioneer settlers in that country. Each year he pays out in wages between $7,000 and $8,000. Speaking to the Canadian Club in the city of Winnipeg, he pointed out that upon western Canada more than upon any other section of this country would fall the burden of paying the great war debt, which is leaping up in amount day by day—when it will end no man knows. He went on to prove that in the year 1915 the excess of exports over

imports in the case of agricultural products amounted to $250,000,000. In the case of fisheries, the excess of exports over imports was $20,000,000; products of the forest, $42,000,000; products of the mine, $59,000,000; manufactures, $57,000,000. The excess of exports over imports pertaining to agriculture exceeded by more than 50 per cent the excess of exports over imports of all these other products combined.

The impression has gone out—I have heard the assertion made in this House—that the farmers of western Canada are all grain farmers. They are not all grain farmers; they are mixed farmers as well. They have been charged with mining the land. I admit that in years gone by, when the western lands consisted entirely of virgin soil, some of those who went there became dissatisfied and left as soon as possible for the East. But all those who to-day are farming in the West never before farmed as well, and they are carrying on the work just as efficiently as the farmers of eastern Canada. This is true of their work both as grain farmers and as mixed farmers. Of the $260,000,000 worth of live-stock sold last year, 42 per cent was raised in western Canada, 32 per cent in the province of Ontario, 16 per cent in the province of Quebec and from 8 to 10 per cent in the Maritime provinces and British Columbia. So that we are mixed farmers as well as grain farmers; we raise more stock than any other section of the country. The argument, therefore, that the farmers of western Canada are all grain farmers falls down. I submit that the burden of tariff taxation, which is much too great, could be removed without causing any particular loss to Canadian industries. As a western farmer, I purpose insisting on the necessary changes in the tariff until they become law. I should be remiss in my duty if I did not support the amendment of the hon. member for Edmonton, because I stood for these very things in 1911. Although the Canadian people thought fit to defeat the reciprocity proposal, I was elected on that issue, and I believe the majority of the rural constituencies and also some of the cities of Canada, when they are given an opportunity, will support that issue.

The people of Canada will have to pay the enormous debt which has arisen by reason of this war, and as the agricultural portion of Canada will have to pay at least half of that amount, some consideration is due to them. All the other interests in the country have this advantage over the farmers that they organize and keep organized, and while

I do not blame the manufacturers of Canada for insisting that the duty remain the same, if that suits them best, or for asking that the duty be increased if, in their opinion, an increase is advisable, I blame the people of Canada for allowing one class of the population to legislate for them. The farmers of the country constitute about 65 per cent of the population, and if they would look after their interests as the other great interests in this country do we would not have any difficulty in passing such legislation as we all believe to be in the interest of Canada as a whole. While there may be honest differences of opinions—and it is proper that there should be—this Parliament should legislate for the best interest of the whole country. In order to pay this war debt—and the tariff has a bearing on this matter—we shall require a large influx of immigration. In western Canada 120,000,000 acres of land have been alienated from the Crown, and as I have stated, a great deal of that is now vacant, being either land that has been abandoned or land that is now held by speculators. The Government of the day desire to place the returned soldiers on the land, and I will support legislation of that nature; but I would advise the Government to be very careful when they attempt to carry through that legislation, because, in my opinion, when the war is over, very few returned soldiers will want land or will settle on the land. Men who have been accustomed to mingle together by the hundreds of thousands are not going to settle on a homestead fifteen, twenty-five, or forty miles from a railway, and the best homesteads in Manitoba are considerable distances from railways. But whatever aid the Government sees fit to give to the returned soldiers I will certainly support that Government, as nothing is too good for those men; but in case they fail to go on the land we shall want in their places men to develop the land, and in order to secure such men, we shall have to make the conditions such as to encourage them to come in and settle in Canada. If it is a fact, as Mr. Brown states, that at Regina, the capital of the province of Saskatchewan, there is unloaded machinery from Omaha and other cities in the United States, at a price 25 to 30 per cent less than similar machinery can be bought for at Regina, that is certainly no inducement to any man to leave the States and come to western Canada. Mr. Brown, as a large operator, wished to buy kerosene for use on his tractors on his farm, and when the Canadian merchant quoted a price of twenty cents a gallon, he bought his oil at Chicago and had it landed at Regina for 13¼ cents a gallon. At the same time, he desired to purchase a tank to hold his oil, and as the dealer in Winnipeg asked $600 for a tank, he bought one at Chicago for $186, paid the freight and the duty and landed it at Regina for $384, thus saving enough on the price of the tank to enable him to pay the engineer of the tractor $100 a month. What is required to ease the burden of the people of Canada is immigration, and we cannot secure immigration so long as such conditions continue to exist, because people are not going to leave the western and middle states of the country to the South in order to settle in Canada, where they will have to pay tribute to the Canadian Government, and, through that Government, to the manufacturers of Canada. The manufacturers of Canada have had their day. In years gone by the manufacturers of Canada were spoken of as infant industries; they are still spoken of as infant industries, and I suppose the way things are going at the present time and from the support the manufacturers seem to be able to receive inside this House and out of it, they will be very willing, so long as they live in Canada, to continue to have their industries called infant industries. Let the manufacturers take the same chance as the grain grower or the cattle grower is doing. The grower of grain says: I am willing to compete with the whole known world. He says to the man in eastern Canada: We raise the best wheat in the world; we compete with the world, and all we ask is a fair and reasonable price. Three dollars a bushel is not a fair price; it is an abnormal price, and wheat should never have been allowed to rise to such a price in this country. It is not right that wheat should be bought and sold by manipulators and speculators at three dollars a bushel when the farmers who raise that wheat receive the prices which I mentioned a few minutes ago, and which in the majority of cases are less than two dollars a bushel. The consumer, however, in eastern Canada is charged fifteen dollars a barrel for flour, and some people would desire the impression to go out that the western farmer is prosperous; that he is getting three dollars a bushel for his wheat; that he has no complaint to make, and that the manufacturing interests of this country should be protected as against the advances and requests of the farmers of both western and eastern Canada.

In conclusion, I will say that all the people of western Canada desire might be summed up in the two words "fair play"; that they receive a proper and fair price for their grain; that they pay a fair and reasonable transportation charge, and that the railways of this country in the years to come be compelled to haul for a reasonable charge the produce of the grain grower and of the stock grower of western Canada to the markets of eastern Canada, and in that way be a benefit, not only to the producer in the West, but to the consumer in the East.

Mr. HUGH GUTHRIE (South Wellington): Mr. Speaker, I might be permitted to occupy the attention of the House for a short time. In regard to the amendment moved by the hon. member for Edmonton (Mr. Oliver), I would say that I find myself in the position of one who is desirous of accepting for the most part the amendment which has been moved, but who finds some difficulty in accepting certain clauses of it. As it is an amendment offered on a motion of this House to go into Committee of Supply, I understand that, according to the rules of the House, it cannot be amended; I must either vote for it in toto or vote against it, and that is the difficulty in which I find myself at the present moment, because to a large extent I support the contention of my hon. friend from Edmonton, but I cannot go to the extent to which he has gone nor to the extent to which his amendment goes. I believe the first clause of his amendment is properly brought to the attention of the House at this time and should receive the sanction of the Government. I refer to that clause in reference to the free admission into Canada of wheat, wheat flour, and other products of wheat. It is upon the words "other products" that the whole situation turns. The Government, very tardily, we must confess, has remitted the duty upon wheat, wheat flour and semolina, but there are other products of wheat which are very important to the Dominion of Canada and particularly to that part of the province of Ontario which I have the honour to represent in this House. To every one engaged in raising hogs or cattle or in the dairying industry, bran and middlings are of vital importance, and more so at this moment than ever before in the history of this country. Bran shorts and middlings are what we want; we want them in the worst way and at the lowest possible price, and why they were not put on the free list with wheat and wheat products I do not know. I was in the House on Wednesday last when the Minister of Finance, replying to my hon friend from Edmonton (Mr. Oliver), made the statement that bran and middlings were dearer in the United States than in Canada, and he based the statement on some figures that had been given to the House by the hon. member for Huntingdon (Mr. Robb). I accepted that statement of the Minister of Finance, but I could not help wondering why farmers in my country, who use bran and middlings to a very large extent wanted them placed on the free list if the price was higher in the United States than in Canada. I was home over the holiday, and I was confronted with that very question myself. Two farmers in particular told me that the statement of the Minister of Finance was erroneous, so with the assistance of others I undertook to find out the actual market conditions on the day this statement was made. I found that the price of bran in Toronto on that very day was $40 a ton, and in Buffalo $38 a ton. I cannot give the price of middlings for the same day, but I can give the price to-day between Toronto and Montreal, and Boston and Buffalo. These figures are taken from the Montreal papers, and were also received by telephone from the Boston Exchange. The price of bran to-day in Buffalo is 4 p.m. $32.58 per ton, and in Boston, $34.50. The price of middlings to-day per ton is $36.75 in Buffalo, and $38.75 in Boston. The Toronto and Montreal figures are the same for to-day. In Toronto bran is sold to-day at $38 a ton and middlings at from $46 to $50 a ton. It will be seen that the Canadian prices are considerably higher. I know these figures are right; I know the farmers who spoke to me on Saturday were right, and I know the statements made by the Minister of Finance on Wednesday in regard to these prices were erroneous, and likely to mislead the House and the country.

The importance of bran and middlings to the farmers of Ontario cannot be overestimated. Every farmer engaged in stock-raising or the dairying industry must have cheap food at the present time if he is going to increase his product, and it is for that reason I am particularly anxious that the Government allow, bran, middlings, and the like, which are almost a necessity to stock-raisers and dairying men in the province of Ontario at the present moment, to come in duty free. I cannot go very far in congratulating the Government on having removed the duty on wheat and flour. Had they done so when they took

office four or five years ago they would have been entitled to great credit, but instead of doing that, they let the thing run on from year to year, until the question became critical, they did not move hand or foot to give the farmers relief. The need, I believe, was greater in 1912 and in 1913 than it is to-day, and far greater relief would have been afforded to our farmers if wheat and wheat flour had been put on the free list at that time.

I come now to the second clause of the amendment, which deals with farm implements and machinery. If the leaders of the Government mean what they say both in this House and outside, it is the duty of the people of this country to produce foodstuffs to the utmost possible extent for the use of ourselves and our Allies. There is, therefore, all the more reason for giving the agriculturist free farm implements now that production is so urgently needed. I do not believe the argument for free implements can be put as strongly to-day as it was put in 1913, when I myself had the honour of moving a resolution in this House for free agricultural implements, which resolution was promptly voted down by the Government and its supporters. For in 1913 the implement manufacturers in this country got their raw material practically free, whereas to-day they have a war tax of 7½ per cent at the one end, and their profits are taxed at the other end; they catch it both coming and going, and they did not in 1913. I believe the case then was stronger than it is to-day, but the case to-day is strong enough I believe, for the Government to grant what the resolution asks for. In order to allow of production in this country to the utmost possible extent, this relief should be given to the agriculturists, and it should be given all the more readily because the revenue which we derive from the tariff on agricultural machinery is almost a negligible item in our annual financial statement. I have not the exact figures, but from statements made in the House in the last two or three days I understand that last year we collected less than half a million dollars, something between $300,000 and $400,000 under a tariff which provides that mowers, reapers, binders and one other article, shall be taxed 12½ per cent, and all other agricultural machinery 17½ per cent, with an additional 7½ per cent war tax. Our whole revenue collection under that head last year was under $400,000, so we cannot say that we are maintaining the tariff on these items for the purpose of obtaining revenue. The amount is too small to give any support to an argument of that kind, and the only argument that can be advanced in favour of maintaining this tariff and it is largely an unsound argument—is that it is necessary in order that our manufacturers may go on manufacturing in this country to grant a measure of protection. As a revenue producer this tax should not be considered for a moment, only as a question of protection pure and simple, is it arguable whether the tax should be left as it is.

But in the stress of present-day conditions, when every man in this House and every newspaper in the country—yes, when every judge on the bench in addressing the grand jury—calls attention to the fact that there must be an increase of production in every way possible, is it unreasonable to ask the Government to tell the farmers that the duty on agricultural implements at least for the time of the war will be remitted? We put on taxes which are purely war taxes; why, then, cannot we give a remission of taxes? If that were once granted I know this House would make it permanent. I therefore favour that portion of the amendment which provides that agricultural machinery shall be upon the free list. I favour the whole of the free list as set out in paragraph 2 of the amendment. And when I look at the trade returns and find that in item after item which it is now proposed to put upon the free list the revenue collected is so small as to be negligible, it seems to me clear that the time has come when the relief asked for in this clause of the amendment should be granted.

To paragraph 3 of the amendment I have no objection. This is the one which, in broad language, provides for free food—that the necessaries of life shall, as far as possible, go untaxed. I have always supported that policy in this House, and intend to support it still. Whether the remission of food taxes would or would not give great relief in prices I do not know. On the whole, I do not believe that any great relief would be insured in this way, for, as between Canada and the United States, at the present time there are no great differences in the market prices of food. Still, I will support that part of the amendment on principle, because I believe it is right that the people should have free food. But in my opinion the proper way to regulate the food situation is not by a change in tariff items, but by some such

action as they have taken in Great Britain, in the United States and in other countries, that is, by direct action on the part of the Government to eliminate all that pertains to speculation in regard to food commodities. I have no doubt that in Canada there is speculation of every kind in articles of food. I believe that the Government should take the matter up, and I trust it will do so. I believe that power should be given to a commission, or to a single individual—food dictator or whatever you choose to call him—as broad as has been given, or will shortly be given, to Mr. Hoover in the United States. Let the commissioner practically be himself the law in regard to food. Let him, if necessary, fix prices, conscript food, regulate everything in that regard. I do not say that he would have occasion to do all these things; but give him the power, and I have not a doubt that the prices of foodstuffs in this country will rapidly decline. I believe that the system of cold storage, as has been mentioned in the House, has a good deal to do with the high prices. People use the cold storage facilities in every country as well as in Canada for the purpose of taking advantage of market conditions, and a great deal of the speculation in food products results. Give your food dictator power in regard to cold storage, and I believe you will get more relief from such a course than by any present tariff proposals, good as these may be in the abstract.

Mr. BURNHAM: Considering that the basis of the hon. gentleman's argument is cheapness of production, is he in favour of the unrestricted admission of cheap labour to Canada?

Mr. GUTHRIE: I was not discussing the question of the labour market, but in answer to the hon. gentleman I say, certainly I am not in favour of the unrestricted admission into Canada of cheap labour.

Mr. BURNHAM: Then, where is your free trade doctrine?

Mr. GUTHRIE: I was asked a question, and I have answered it. Now, to summarize what I intended to say: We cannot maintain this taxation on the ground that it is necessary for revenue purposes, for the revenues from it amount to nothing. It can only be maintained on the ground that it is necessary for the protection of the people in Canada who are engaged in the production of these various goods. We are told that the war tax of 7½ per cent as against foreign countries and 5 per cent as against Great Britain has been productive last year of an increase of $38,000,000 in our customs returns, and for the preceding year of $25,000,000, and that it was absolutely necessary to impose that tax in order to raise the revenue to meet the requirements of the country during this period of stress due to the war. I agree that we must have the money, and I voted for the increase, because I did not dissent from it—and neither did any one in this House dissent from it—and I am not dissenting from it now, unless some better way of raising the money can be found which the Government will adopt. When I was elected to this House seventeen years ago, I was elected on a tariff policy which I believed in then and believe in now—a tariff sufficient to produce a revenue necessary to carry on the affairs of this country economically. I believe that for many and many a year to come the greater portion of the revenues necessary for the country are going to be raised by a customs tariff. But there are other ways of raising revenue which I think the Government has, to some extent, slighted. I desire to point out to the Minister of Finance one or two things which, I think, he has rather overlooked in considering the raising of the money necessary for the carrying on of this war. I am prepared to vote for a higher tariff if more money will come from it, and if that money is indispensable. But we may make the tariff so high that we shall get no revenue. I should like to see other means fairly tried before we have more increases in the tariff. I believe in the free list given in the amendment of the hon. member for Edmonton (Mr. Oliver) for all the revenue we get from that free list can be supplied by other means of taxation if the Finance Minister and his Government will only look the facts in the face. The Finance Minister is a very able financier, one of the ablest, probably, we have ever had in the Dominion of Canada. But for some reason best known to himself he has not, I believe, squarely faced the question of direct taxation. I do not believe he has ever fairly and fully considered the question of the taxation of revenue from the invested wealth of Canada. I believe that invested wealth is something which one can legitimately tax; the rich man should be taxed; the invested wealth is employing practically no one and should be the first subject of taxation. I do not agree with the propositions the Minister of Finance has laid down in this House from time to time—or the

excuses he has made from time to time—for allowing the largest incomes in this country to go practically untaxed during almost three years of the present war. I tell him in all fairness and all candour that when he goes away from the city of Ottawa, when he goes out into the rural districts, and towns and villages of Ontario, he will meet the question that the rest of us are often called upon to answer.

I have been one of those who has sat in this House during the three years of the war, and I have seldom interfered with the proceedings. But I have been asked time and time again: Why do you not propose this, why do you not object to that? The question which most frequently arises is: Why do you not attempt to tax the wealthy? I have voted for the business tax, or at all events I did not dissent, and that means that I supported it. I do not believe it is a fair tax at all. I believe that the munitions tax is an eminently fair one, and that it might be well to increase it, but I do not think that the business tax is a fair tax, although I supported it in the past, and will support it again if it is necessary for the carrying on of this war. But, the Minister of Finance has skated around the question of an income tax year after year. He has gone over it, he has gone around it, he has postponed it and he is still considering it. During the first year he said he did not think that it would yield sufficient revenue to justify the cost of collection. He postponed it the second year, and I think he is inclined to postpone it this third year. But, he should tackle this question of an income tax. The other night in this House he gave as one reason for not adopting an income tax, the fact that he had a telegram from the collector of taxes in Toronto saying the available wealth for taxation as income for Toronto was $19,500,000, on which the amount collected was $440,000. Consequently, he said: In the second greatest city of Canada that is all you get, and I do not think it is worth while seriously considering it, although we may have to come to it in the future. But the Minister of Finance should come to it now. Any one who lives in the province of Ontario knows that the income tax is more of a farce than anything else. It is not enforced. I do not believe there is any proper machinery for the enforcement of it. The question of the collection of income tax is looked on as a joke. There is no municipality in Ontario that gets a fair return from the income tax, and many of them have given up attempting to collect it at all. I have never heard of a prosecution in the case of a man who has given a wrong statement of his income. I have never heard that a penalty has been exacted from a man who did not pay what he should pay, the law is a dead letter and the tax is negligible in Ontario.

But, I can tell my hon. friend the Minister of Finance—and he knows it far better than I do—that there are millions and millions available in Toronto by way of income tax, and that if he applies the English rate to the big incomes he will get far more money in his treasury than he does out of the articles proposed to be added to the free list by my hon. friend from Edmonton. He could get far more money out of Toronto alone by an income tax than he would lose in revenue out of all the articles enumerated in this resolution. The rate in Toronto is only about 23 or 25 mills on the dollar. I do not propose anything like that. I think it is a joke. Why cannot we get down to something like the rates imposed in Great Britain and the United States? I am asking that seriously. Why do we not do it? Who is behind the curtain. Every one knows the high reputation of the hon. gentleman who is the Finance Minister of this country, and every one knows his great ability in matters of finance. Who is behind the curtain? What is withholding his hand? Why cannot we adopt those rates that they have adopted in England? Is there any reason for it? The Minister of Finance has been in England on one or two occasions since the war and he knows that the people there are actually feeling this war, that they are suffering from it. He knows that they are going down into their pockets to pay for it. He knows just as well as I do—every man in this House knows—it is a shame to confess it, but I have to confess it—that the people of Canada have not felt the stress of the war at all. We are more extravagant to-day than ever. We are spending more in this critical year of the war individually and by family than ever before. There is more extravagance and luxurious expenditure in this year than ever before. There are more automobiles being purchased and used for joy riding, more luxury, more fur sales, more jewellery sales. We have got into that sort of semi-mad condition which appears in any country where money has been piling up abnormally for a few years, as it has in Canada. We are not in as bad a condition in that respect as they are in

the United States, I am glad to say, but we are fast tending towards it. In England they are suffering, in England they want money, in England, they are taxed. Why should this condition obtain in Great Britain and not in Canada? Why not say to the millionaires and the rich men of this country who have incomes of from $50,000 to $100,000 that they must contribute more to the cost of this war? There are some men who are spending lavishly and who have the right to do so because they have large incomes. Why not say to these men: This Government is going to curb you and take a large proportion of your income and put it into the treasury? There are other rich men who do not spend their incomes, or one-tenth of their incomes and who are thoroughly parsimonious. The Government might say to these: "You come across; the treasury wants a part of this income." The Minister of Finance knows that the people will support him in this. Who is behind the curtain, who is holding back his hand?

I have some experience as to conditions in my own city and every man in this House has the same experience as I have; I say that among men with very large incomes there are some of the meanest givers to the Patriotic and Red Cross funds, men who own very little land, but whose money is locked up in provincial and municipal securities and other bonds. These are not registered. It is true it is hard to get at them, but they can be got at. They do not pay a cent practically to carry on this war. We must get after these people. Why delay it any longer? Why should they not be taxed at the same rate that they are being taxed in Great Britain? We should pay the same rate. Why not? We should suffer to the same extent. Why not? Our extravagance should be curbed and our taxes increased. If we were taxed on the same principle as they are taxed in Great Britain, the Finance Minister would raise in Canada more than he does out of his 7½ per cent increase in the tariff and ten times more than he would lose if he had all the articles enumerated in this amendment on the free list.

I desire to place on Hansard the figures with regard to the British income tax and I believe they are accurate. There is exemption up to $650. I do not think that in Canada that would be a sufficient exemption. I would double that at least in Canada and let the amount of exemption be $1,200. Then, after that, we might well take the British scale. In Great Britain there is a little distinction made between earned income and incomes derived from investment but I do not think we need bother about that here. In Great Britain on an income of $1,000 in our money there is a tax of 4½ per cent, not that puny little income tax of 25 mills on the dollar which is imposed by Toronto and other municipalities. On an income of $5,000 there is a tax of 12½ per cent. We have lots of these $5,000 men all over Canada and 12½ per cent would produce a magnificent revenue. On an income of $10,000 there is a tax of 18 per cent. We have lots of them here, lots of them in Toronto, more of them in Montreal and in every city and town in Canada they are to be found. On an income of $20,000 there is a tax of 25 per cent. There are not so many of them but there are a great many. Of incomes of $50,000 and we find them scattered around, one-third is given to the treasury in Great Britain. Why not here? On incomes of $500,000 there is a tax of 42 per cent. That is the scale that Great Britain has adopted. We want to be placed in regard to this war, I submit, upon the same footing as our fellow British subjects in the motherland. They are making every possible effort to carry on this war, and we should do the same thing. If we are to have a system of taxation in this country which will include the extremely rich, then we are going about our taxation in the wrong way. And I can tell the Minister of Finance that nothing which he could do would be more popular from one end of Canada to the other than to introduce during the present session an income tax that will bear a fair resemblance at least to the rate charged on incomes in Great Britain.

I am sorry to have to say to my hon. friend from Edmonton that I do not approve of the last two clauses of his resolution. I do not believe that this is the proper time for a general revision of the tariff of this country. I believe that my hon. friend, should his amendment carry, would project into our national affairs a most unsettling and disturbing element. I do not believe at any time in the haphazard revision of the tariff. I think that such a revision should be gone about systematically and scientifically. I think the tariff should be revised from time to time, and I hope that when the revision does take place, after hostilities are closed, we will be able to revise it downward. But I think that of all times this is about the most inopportune to disturb the industries and business of this country. For that reason, I am not going to support the general revision of the tariff now. I find no demand for it in the province from

which I have the honour to come. It is true that the hon. member for Edmonton says: the West brings you the great gift of free wheat and free flour. I have no doubt that the West did not put it that way when they agitated for it—they wanted it for themselves. They had a right to get it, and should have had it long ago, but it was for themselves and not for us that they wanted it.

I do not want to bind myself by anything I say now as to what my action may be after the war in regard to the reduction of the tariff. I hope it will be revised, but I do not want any Government to attempt it now; I do not want any unsettling of business; I do not want any disturbing element introduced at the present juncture in the history of Canada. I believe, and believe firmly, that, at the present moment, the members of this House should have but one policy, and if I am the only man in this House who believes it I am going to stick to it— and my policy is going to be: Win the war.

Some hon. MEMBERS: Hear, hear.

Mr. GUTHRIE: And after the war is won we can take up our old fights just as we did before. I must say that the Order Paper from day to day has on it matters which in my judgment should be wiped off. If we are going to pursue in this country a policy of winning the war let us stick to war measures and let questions, no matter how important they may be, in regard to the nationalization of railways or the building of national highways—let them be swept aside and let us keep to war measures.

Mr. MICHAEL CLARK: Hear, hear.

Mr. GUTHRIE: Then, when the war is over, we can discuss the other questions. If we can come together on the matter, so much the better, but let us clear the Order Paper of all the old academic discussions and questions that drive us apart rather than bring us together. For my part, I feel and I believe that on this side of the House there is a feeling, a genuine honest feeling, that at the present time, of all times, our paramount duty is to discuss and enact measures that will insure victory for ourselves and the Allies, even if we have to allow other matters to stand until after the final victory is won. That is why I say to my hon. friend for Edmonton (Mr. Oliver) that I cannot vote for his present proposal to revise the tariff.

I do not approve of his present proposal to revise the British preference, much good as that might do. We do not know what position we shall be in after the war. All our trade conditions may be changed. We may be making new arrangements of every kind with all people, and can we not wait a year or two, or even three years, before making such a revision? A tariff cannot be revised in three months, or six months. I believe that the revision of the tariff should be made as Mr. Fielding made it when he was Minister of Finance, that is, by direct consultation with all classes of the community, even if it require over a year to do it. That is the proper method of proceeding. If my hon. friend would eliminate from his resolution the last two clauses I should be happy to support it; otherwise, as I would have to take it all or nothing, I should have to reject it all.

Mr. W. E. KNOWLES (Moosejaw): The discussion of this proposition offered to the House by the hon. member from Edmonton (Mr. Oliver) has fortunately proceeded largely on the merits of the case and without any bitter partisan spirit. I shall endeavour to discuss the matter in the same way. I think it might be well to consider whether the proposition of the hon. member for Edmonton makes for the successful carrying on of this war or does not. If it could be shown to us that the proposition of the hon. member for Edmonton in any way retarded or handicapped us in our competency for carrying on this great war, the debate would be closed and the hon. member for Edmonton would be the very first to withdraw the resolution. But let us not think that, because from the lips of some people drop the words "I want to win the war," everything else they say is true. It is not difficult to say: I want to win the war. But it does not follow that that proves every conclusion to which the debater may come.

We find that our friends opposite, including the Minister of Finance, have paid scant courtesy to the merits of the debate. The minister, when he replied to the hon. member for Edmonton, did not enter into the argument. We find their main point is that now is an inopportune time to revise the tariff downward. I do not know what time to the minister is not an inopportune time to revise the tariff downward. It reminds me of a man under sentence to be hanged on Friday who, hearing some one say that it was unlucky to be hanged on a Friday, said that there were only six other days in the week on which it was unlucky to be hanged. That is the view taken by

the minister on the revision of the tariff. He takes the same position, that now and all other times are inopportune times for the revision of the tariff downward.

We come to the question, would a revision of the tariff downward, as we advocate, in any way hamper or impede us in our ability to prosecute the war? I think that is the question now before the House. I have not heard any argument showing that it would in any way handicap us or impede us; we have heard implications and suggestions, but to carry conviction, hon. gentlemen who are opposing this resolution ought to establish some sort of proof that the passing of this resolution and the putting of it into force would in some way handicap or impede us in the prosecution of the war. I submit respectfully that no one has as yet established that in the slightest degree. The Minister of Finance swept the whole resolution aside. He said that the city of Toronto was satisfied with his conduct of the finances of the country, and that he had many congratulations from Toronto. He said that in Toronto rents were high and houses well filled, and all went merry as a marriage bell since Toronto was in that very fortunate condition. But I do not think that is replying to the splendid address of the hon. member for Edmonton in the debate. I listened to the Minister of Finance carefully, but I did not hear him give any reason why we should not have free agricultural implements, I did not hear him give any reason why we should not have free cement; I did not hear him give any reason why we should not have free foodstuffs in exchange with those countries granting us free foodstuffs. He dealt not at all with any of these specific items; he swept them aside by saying that the time was not opportune. My opinion is, and I give it only for what it is worth, that the time is exceptionally opportune for revising the tariff downward. The time to revise the tariff downwards is when those who are the wards of the tariff, are in the best position to stand that revision. We do not want to ruin any industries. Hon. gentlemen may think we do. Well, it does not matter what they think. But, even taking their side of it, when are you likely to injure the industries the most? Ever since 1878 or thereabouts, when we had a national policy, there has not been a time when our manufacturing industries could stand a revision of the tariff downwards as well as they could stand it to-day. Prices are high; competition is not keen—this is the greatest opportunity in Canadian history to see just how much the manufacturing industries would be injured by a downward revision of the tariff. From the viewpoint of the manufacturing industries, therefore—which none of us have a desire to injure, let people say what they like—this is an opportune time for tariff revision.

I wish to state another reason why this is an opportune time for tariff revision. Engaged as we are in this war, what we want more than millionaires' houses in Toronto, Montreal, London or Hamilton—more than money; more than anything else—is what the farmer will give us if farming is encouraged to develop and to expand. We want foodstuffs to win this war. The true war policy as laid down by Lloyd George is to produce to the utmost capacity and to conserve food supplies—which means what the farmer produces. The old academic argument of free trade versus protection has gone to the winds for the moment.

Mr. MICHAEL CLARK: No, no.

Mr. KNOWLES: I think the hon. member for Red Deer will agree that in an academic sense the argument has gone to the winds so far as my present remarks are concerned, because we have proved it academically so often that I do not need to deal with it. As a real, practical war measure, the proposal of the hon. member for Edmonton leads directly to the goal which Lloyd George says must be attained in order that we may successfully carry on the operations of the war to victory.

Unfortunately, for many years—not only during the war, but long before the war—an abnormal state of affairs existed in Canada from time to time. The financial boom which had been caused, in a measure, by the immense railway construction which took place in Canada, fostered industries in an abnormal way. This artificial prosperity ceased, even prior to the war. To-day a similar artificial prosperity, created by the war, prevails; it, too, will pass away, at the conclusion of the war. We shall have to bear the burden of a debt of great magnitude. We must face the task bravely. We must look into the future and ask ourselves how we shall meet, after the present condition of artificial prosperity ceases, the financial burdens arising out of this war. The Minister of Finance has been very much complimented on his knowledge. I hope he does

not believe all the pleasant things that are said about him; if he would refer to the Grain Growers' Association they would tell him the other side of the story. On the one side, we have the artificial prosperity created by the war; on the other, the great debt that is being built up because of the war, the large amounts we have to pay out by way of pensions, and so on. Where is the minister to get the money for these things if he does not get it from the agricultural interests? If he does not lay down a policy that will make for large production of national wealth from the soil, where is he going to get the money? If he knows where he is going to get it I wish he would tell us. One of the reasons why we on this side say that the proposal of the hon. member for Edmonton should be accepted is that the carrying out of the principle which it asserts would result in men being attracted to the farms, and in large zones of land in the western prairies, now idle, being made productive. Thus we would have a maximum production of national wealth that would enable us to bear the great financial burdens which we shall be called upon to face after the war is over.

Mr. BURNHAM: Does the hon. gentleman intend that the agricultural interests shall pay all these burdens?

Mr. KNOWLES: I would use the word "afraid" rather than the word "intend."

Mr. BURNHAM: But my hon. friend adduces an argument.

Mr. KNOWLES: I fear that the burden will rest very largely on them.

Mr. BURNHAM: The hon. gentleman says that we have to develop wealth from the soil in order to pay these debts. You cannot eat more than a certain amount; let us hear how the thing is demonstrated.

Mr. MICHAEL CLARK: You will get all the money we will make.

Mr. KNOWLES: I do not understand my hon. friend's question.

Mr. BURNHAM: Suppose the agricultural interests of Canada should raise fifty times as much as they do now?

Mr. MICHAEL CLARK: Ontario would take it all.

Mr. BURNHAM: The people of Canada could not eat it, though they might, possibly, dispose of it abroad. Production is represented by the hon. gentleman as the source from which we are to derive the money to pay these burdens, because the other industries in Canada cannot provide it. It appears to me, therefore, that the hon. gentleman intends the farmer to pay all these burdens.

Mr. KNOWLES: To the extent that we develop the farming industry we provide a source of national wealth, and only national wealth can pay off a national debt. If there is any other way of doing it, I should like to hear it.

I wish to refer to what I said and to some figures which I gave in my remarks last session on this subject, as they appear on page 3934 of Hansard. I said:

> Last year we had in the Provinces of Alberta and Saskatchewan, and I speak of those two provinces alone, nearly 15,000,000 of acres of land under cultivation. I take the figures from the statistical departments of this Government. The total amount of arable land which is at our disposal in those two western provinces is 190,000,000. We had 15,000,000 acres, approximately, under cultivation, producing wealth for this nation, and 175,000,000 acres lying idle. There must be some reason for this.

I quote from the same page, a little further on:

> We are not developing in the direction of even gradually exploiting that great national asset which lies before us. Last year according to the statistics of the Government, and I have no reason to doubt their accuracy, the value of the crops produced on those 15,000,000 acres in those two western prairie provinces of Alberta and Saskatchewan, was over three hundred million dollars. If we could apply the same proportion to these unused arable lands, we would have, not three hundred million dollars, but three billion, nine hundred million dollars. When we are through with this war we are going to have an enormous debt; it may be one billion dollars; it may be two billion dollars. The interest on it will be probably fifty million dollars per annum at the least. Here there lies in our hands and in our possession 175,000,000 acres of land which, if they were to produce at the rate the acres in use last year yielded, would produce in one year three billion, nine hundred million dollars worth of produce, a value four times as great as this terrible war debt that is staring us in the face.

Later, speaking about the condition of affairs when war broke out—how the men had ceased to go on the land, after the Government had been in power for three years—I said, page 3936:

> Then we saw that there was no encouragement for those two to be brought together.

I meant idle men and idle lands.

> The raw material was there, and the men were there ready to exercise their muscle on the raw material, but the conditions were not sufficiently encouraging to bring the two together. Surely we could make these conditions encouraging enough to bring these two ele-

ments together. You are bonusing every kind of industry. By protection you are bonusing them all. It may be hard to work out, but surely we can work out some system by which men will go on the land and use it for the purpose for which it was meant to be used.

I read these words in order to emphasize my conviction that it is the duty of this Government, quite apart from any academic convictions or prejudices with regard to free trade and protection, to devise a scheme by which the great unused resources of Canada shall be used. That is the way you will make Canada prosperous.

Sir Wilfrid Laurier came into power in 1896 when there was only a little handful of land in use in the West. People were not attracted to settle on the land as conditions were not inviting, and so they stayed away from the western provinces. The Government of Sir Wilfrid Laurier, however, by its immigration policy, its railroad policy and its grain commission policy, made conditions so attractive that men rushed out to the West and, where there had formerly been one acre under cultivation, there became ten, twenty acres under cultivation, and the whole of Canada responded to that great expansion and development in western Canada. The policy of reciprocity may be dead and gone now, but that policy of the leader of the Opposition, then Prime Minister, was simply this, that the day had come when it was necessary further to improve the conditions of the western farmer so that men would continue to go into the remoter districts and open up and develop further lands and in that way produce national wealth. The reciprocity issue was defeated, as every one knows, and the result has been that in the three years prior to the outbreak of war and since the defeat of reciprocity, the greatest stagnation has occurred since the early nineties. The Government now has this proposition staring it in the face, that the Dominion of Canada has all that land as a great national asset—and it is a tragedy that that land should be lying idle—and still the Government are doing nothing whatever to bring it under cultivation as the Creator intended it should be cultivated and should produce national wealth. In the boom days many people in the city of Moosejaw were very rich—we were all rich then—and then the bubble burst. It happened that many people had half sections somewhere or other in the West and they looked on them as very minor matters, as they probably had something like $100,000 or $200,000 worth of vacant lots; but when the bubble burst and those men had to turn their hands to making a living, they said: Well, we must go and use those farms that are lying idle, that we never thought of, and produce our living and our wealth out of them. In the Dominion of Canada at the close of the war we are going to be like men when the bubble has burst; we are going to face a desperate condition, with all our unemployed, with all this artificial prosperity gone, with all our soldiers coming back and with all the pensions to be paid. We shall be in the position of a man with an immense farm of 100,000,000 acres that to-day should have the plough turning them over, but that are not used at all, and this afternoon we advocate this policy; we say to the Government: You would encourage men to go on that land and produce wealth, produce $20 an acre, which amounts to an enormous sum when you multiply it by the millions of acres that are lying idle in the West, if you would make the conditions favourable so that our agricultural population would not hang around the towns and cities, but would go into the rural districts and be encouraged to cultivate this great heritage and produce national wealth. And if you produce national wealth, I repeat, you can pay national debt.

The tariff question is going to be a live issue in Canada, if not during the war, then not very long after the close of the war. We shall have to look very keenly into the financial condition of Canada, and after the war the question is going to be above all the question of finance which is altogether linked with the question of tariff. It is unfortunate that while the war is on we do not like, and it is not wise, to press too much the tariff question, and we do not receive an attentive ear if we do bring up that question; but I submit that the day is coming—and I think it will come very soon after the close of the war—when the outstanding issue in the Dominion of Canada will be whether the people want a lower tariff system in Canada so as to encourage agriculture. The Minister of Finance says that you must not unsettle things by lowering the tariff when the war is on, but that if you tack an increase of 7½ per cent on the tariff on to the farmer and the consumer they will work harder. That, according to the Minister of Finance, is the easiest thing in the world to do, war or no war; but if we presume to ask that the tariff be lowered, we are met with the cry: We want to win the war, and therefore, ergo, there must be no reduction in taxes. The

war was on in Great Britain and the authorities there were in a pretty desperate state financially, but they wanted to encourage agriculture and they said quite frankly: We will pay the farmer to produce and we will guarantee him so many shillings per stone for his wheat for the next three years. They did not penalize the farmers, but they said: We want foodstuffs and we will encourage farming and we will give a guaranteed price for wheat for the next three years. The Minister of Finance knows about what happened in Great Britain, and yet he meets us with the cry: We want to win the war. I presume the British people want to win the war also, but they go about it in a different manner from that of my hon. friend. This is an opportune time for a revision of the tariff; the need of foodstuffs and the high prices make it an opportune time, and the future of the country, in connection with the great national burdens that we shall have to bear, makes it necessary that we should develop the agricultural industry of Canada.

Mr. A. VERVILLE (Maisonneuve): Mr. Speaker, I wish to say a few words on the amendment now before the House. I am strongly in favour of that amendment and I desire to support it for many reasons, a number of which have already been disclosed to the House. It is wonderful how, that every time we bring up a matter of this kind, we are met with the cry: We want to win the war. I should like to know if the fact that I could buy my shoes and clothes cheaper would prevent the winning of the war. I would like to know if the fact that the labour classes of the country could feed and clothe themselves more cheaply would prevent the winning of the war. Such language is ridiculous in this House, and the matter is too serious for such language to be used as has been used on far too many occasions.

Every one knows that in collecting taxation by a tariff the Government secures only about twenty per cent of that taxation and the other eighty per cent is paid by the people to the manufacturers, while by direct taxation the Government would get the eighty per cent. There is a vast difference, therefore, between the results that would be secured from those two methods of taxation. As I have stated before, every time the Government requires $20, I have to be taxed $100, whereas, if a tax were imposed on revenue, every time the Government would require $100, I would be taxed $20. The average earning power of the working man in this country to-day is about $800, and as the tariff averages at the very least about 30 per cent, that means that the working man has to pay $240 of indirect taxation before he can eat anything. If, however, taxation of revenue were imposed, there would be a very great difference, and one would not have to go to school very long to be able with a lead pencil and piece of paper to calculate the amount. The Minister of Finance has more than once said in this House that it would be a rather difficult proposition for him to establish a system of taxation of income. My hon. friend, however, has devised other methods of direct taxation, and I am sure he can establish such a system if he so desires.

As for the taxation of profits made in the making of munitions, I would not be content with 25, or 50, or 75 per cent, as my hon. friend suggests, but I would take the whole of it. I would not allow anyone in this country an income of more than $5,000 a year. Everything above that I would take, and I should consider that pretty generous treatment. This might be considered a radical proposal, but we shall come to it some day, because the people are not going to stand for the present system of taxation for all time to come. It has often been said in the House that working men who are engaged in the munitions business are making from $10 to $12 a day, but as a matter of fact, in a factory of 5,000 employees, you would not find more than 10, and perhaps not that many, making $10 or $12 a day. Go into the homes of these munitions workers, and see the prices they have to pay for their foodstuffs. Potatoes are becoming so expensive that we shall soon see the ladies wearing them in their hats as ornaments; they are becoming an absolute luxury. I maintain that foodstuffs should come in free, and if my hon. friend objects that he would lose a certain amount of revenue let him put on direct taxation, and that would bring in not merely the amount he would lose by wiping out these duties, but from 50 to 60 per cent more. I believe that foodstuffs should all be admitted duty free, and that is why I am supporting this resolution. I want it to be well understood that lowering the cost of living, giving the people cheaper food and clothing, will not prevent us from winning the war.

5 p.m.

The House divided on the proposed amendment of Hon. Mr. Oliver:—

MESSIEURS:

Yeas.

Bourassa,	McCraney,
Buchanan,	McKenzie,
Clark (Red Deer),	Marcil (Bonaventure),
Copp,	Marcile (Bagot),
Demers,	Michaud,
Devlin,	Molloy,
Ethier,	Murphy,
Fortier,	Oliver,
Gauthier (St. Hyacinthe),	Pacaud,
German,	Papineau,
Graham,	Power,
Kay,	Proulx,
Knowles,	Ross,
Lafortune,	Sinclair,
Lapointe (Kamouraska),	Tobin,
Lemieux,	Truax,
MacNutt,	Turgeon,
McCoig,	Turriff,
	Verville,
	Wilson (Laval).—38.

MESSIEURS:

Nays.

Ames (Sir Herbert),	Marshall,
Armstrong, (Lambton),	Meighen,
Armstrong (York, O.),	Merner,
Arthurs,	Morphy,
Ball,	Morris,
Barnard,	Morrison,
Bennett (Calgary),	Nickle,
Bennett (Simcoe),	Northrup,
Best,	Paquet,
Blain,	Patenaude,
Borden (Sir Robert),	Paul,
Bowman,	Rainville,
Boyce,	Reid,
Brabazon,	Robidoux,
Burnham,	Roche,
Clark (Bruce),	Rogers,
Clarke (Wellington),	Schaffner,
Clements,	Scott,
Cochrane,	Sevigny,
Crothers,	Shepherd,
Doherty,	Smith,
Donaldson,	Steele,
Edwards,	Stevens,
Elliot,	Stewart (Hamilton),
Fisher,	Stewart (Lunenburg),
Foster (Sir George),	Sutherland,
Fripp,	Thornton,
Girard,	Webster,
Green,	Weichel,
Henderson,	White (Sir Thomas),
Lalor,	Wilson (Wentworth),
Macdonnell,	Wright.—65.
Maclean (York, O.),	

PAIRS:

Achim,	Brouillard,
Barrette,	Seguin,
Burrell,	Douglas,
Bradbury,	Cruise,
Blondin,	Bickerdike,
Chabot,	Beland,
Davidson,	Carroll,
Descarries,	Lanctot,
Forget (Sir Rodolphe),	Martin (Montreal),
Glass,	Nesbitt,
Hartt,	Thomson (Qu'Appelle),
Hepburn,	Guthrie,
Kemp,	Robb,
Lewis,	Clarke (Essex),
Middlebro,	Kyte,
Munson,	Boyer,
Mondou,	Gauvreau,
McLeod,	Carvel,
Stanfield,	Macdonald,
Tremain,	Chisholm.

[Mr. Verville.]

Amendment negatived.

Mr. PUGSLEY: I was paired with the Minister of Marine and Fisheries (Mr. Hazen). Had I voted, I would have voted for the amendment.

Mr. BURRELL: I was paired with the hon. member for Strathcona (Mr. Douglas). Had I voted, I would have voted against the amendment.

Mr. CARVELL: I was paired with the hon. member for York, N.B. (Mr. McLeod). Had I voted I would have voted for the amendment.

Mr. SEGUIN: I was paired with the hon. member for Berthier (Mr. Barrette). Had I voted I would have voted for the amendment.

Mr. MUNSON: I was paired with the hon. member for Vaudreuil (Mr. Boyer). Had I voted I would have voted against the amendment.

Mr. MACMILLAN: I was paired with the hon. member for Stormont (Mr. Alguire). Had I voted I would have voted for the amendment.

Mr. GLASS: I was paired with the hon. member for North Oxford (Mr. Nesbitt). Had I voted I would have voted against the amendment.

Mr. MIDDLEBRO: I was paired with the hon. member for Richmond (Mr. Kyte). Had I voted I would have voted against the amendment.

Mr. DAVIDSON: I was paired with the hon. member for South Cape Breton (Mr. Carroll). Had I voted I would have voted against the amendment.

Motion agreed to and House went into Committee of Supply, Mr. Rainville in the Chair.

IN COMMITTEE OF SUPPLY.

Department of Finance—Charges of management, $535,450.

Mr. MURPHY: Is this item the same as that of last year?

Sir THOMAS WHITE: Yes, it is a routine item.

Mr. TURRIFF: Does not the minister think that in view of the suggestions he has been giving us in favour of economy that

he should be able to cut this down a little as compared with last year? I notice that the different items are exactly the same as last year. I think the minister would be able to speak with some force to the rest of us on the subject of economy if he would show a good example.

Mr. GRAHAM: Who has the contract for the printing of Dominion notes?

Sir THOMAS WHITE: The American Bank Note Company.

Mr. MARCIL: In view of the approaching fiftieth anniversary of Confederation, is it in contemplation to issue a special commemorative bank note?

Sir THOMAS WHITE: I had not that in mind, but I think it is a matter that might be considered.

Mr. MURPHY: Has it not been considered by a special committee?

Mr. GRAHAM: I was a member of the committee whose report was presented by the Minister of Trade and Commerce (Sir George Foster). I was not present when that report was made, but I understand that its proposal was to issue a postcard or postage stamp commemorative of the fiftieth anniversary of Confederation. It was thought that it would be possible to issue a postcard with portraits of the Fathers of Confederation, and also a postage stamp with some other suitable commemorative design. I presume that that suggestion may be adopted, though the time is short. The report of the committee did not refer to a commemorative bank note.

Sir THOMAS WHITE: Speaking offhand, the suggestion seems worthy of consideration. The matter of the postcard was brought to my attention, but, so far as I know, it was not proposed by the committee that a special bank note should be issued. Bank notes might lend themselves very well to representations of the kind suggested.

Mr. GRAHAM: The intention embodied in the suggestion of the committee was to avoid expenses as far as possible. The issues proposed, it was thought, would be of a kind that would sell in sufficient quantities to recoup the treasury for any expense involved.

Sir THOMAS WHITE: I think the suggestion of my hon. friend from Bonaventure (Mr. Marcil) is well worthy of consideration, and I will give some thought to it.

Civil Government—Office of the Auditor General, $143,850.

Mr. GRAHAM: The Auditor General visited Great Britain to investigate certain charges in reference to the management of the Militia Department. Were his expenses paid out of this vote, or were they paid out of the war vote?

Sir THOMAS WHITE: I am unable to answer offhand, but I believe they were paid out of the appropriation for miscellaneous expenses in connection with the department. The expenses were not large.

Mr. MURPHY: One of the salaries covered by this vote is for an Assistant Auditor General. Does that mean the creation of a new office?

Sir THOMAS WHITE: This is a new office, which is created by this vote. Mr. Sutherland was sent to represent the Auditor General in England, and it was recommended by the Auditor General and was deemed well that, in order that Mr. Sutherland might have the necessary authority to represent the Auditor General, he should be named Assistant Auditor General.

Mr. MURPHY: This vote creates the office and provides the salary?

Sir THOMAS WHITE: Yes.

Mr. MARCIL: Is all the expenditure in Europe under the control of the Auditor General or is there a special audit office ever there?

Sir THOMAS WHITE: The Auditor General has the right to investigate all accounts here, in England, or elsewhere. There is an obvious difficulty in the way of correctly auditing all the accounts in England. The Auditor General went over last Fall for the purpose of considering the system there and, among other things, the system of paying through the Pay Office. That is a very large establishment conducting very responsible business involving hundreds of thousands of accounts. He looked over the whole matter very carefully and when he came back he was of the opinion that if he sent over an officer from the department to represent him in England he would be satisfied with the situation. His recommendation in that respect was concurred in and Mr. Sutherland was sent over.

Mr. PUGSLEY: I suppose the reason for putting in this amount of $4,500 is to get over the provisions of the Civil Service Act.

Sir THOMAS WHITE: It is to give him a salary of $4,500 which he would not otherwise be able to obtain under the Civil Service Act.

Mr. PUGSLEY: Might I urge the objection that it seems to me that this is calculated to provoke great dissatisfaction in the different departments of the Government. We have a Civil Service Act which was arranged with very great care and consideration and the object of which was that the different officials in the service, after starting in at a certain salary, should, on their merit and length of service, rise from time to time until their salaries reached the maximum. This Government has persistently violated the provisions of this Act ever since they have been in power. They might as well have repealed the Act altogether. What is the use of keeping an Act on the statute book having for its purpose the perfecting and improving of the civil service while the Government of the day, with the approval of Parliament, continually violates its provisions? Here we have a gentleman who, under this vote, may be brought in without any length of service in the department and he is at once furnished with a position at a salary of $4,500 a year while there are quite competent men who have given years and years of their lives to the public service and who have only been able to reach a maximum of $4,000 a year. Engineers, accountants, experts of various kinds of ability, the great majority of them exceedingly good men, are obliged, notwithstanding years in the Civil Service, to remain at lower salaries while in this way by evading the provisions of the statute, men are put in at very high salaries. Perhaps, if this were the only instance of the violation of the Civil Service Act, it might be overlooked, but I find in the very next item that there are five officials who are in the same position and who are evidently named in order to get over the provisions of the Act. I think the minister ought to explain why it is necessary to go over the Civil Service Act, and to override its provisions as to positions which the men of the Civil Service occupy. I also think that he should see that these increases take place in the regular way and in pursuance of the Act.

Sir THOMAS WHITE: The Civil Service Act, which my hon. friend (Mr. Pugsley) expresses so much admiration for, is no doubt a very ideal and perfect instrument, but there is nothing in this world that is quite perfect, and it does not always meet situations as they arise. There are many cases in which it is necessary to make appointments to meet conditions of administration. I think this is one. We have under consideration now the Estimates of the Auditor General. The Auditor General is not responsible to the Government, so much as he is responsible to Parliament, and, personally, when the Auditor General makes a recommendation and impresses me with the view that it is in the interests of the administration of his department such a change should be made, I feel I ought to recommend it to the Government. This recommendation in regard to the Assistant Auditor General is made by the Auditor General, having regard to the fact that this official was to go to England and live under new conditions, and he was of the opinion that the salary to be paid of $4,500 was proper under the circumstances. I agree in his view. We do not depart from the provisions of the Civil Service Act more than is necessary, having in view the business administration of the service, and I do not think many members of the service will object to this exception having been made or to those to which my hon. friend has drawn attention under the next heading, and which I shall explain when we reach the item.

Mr. PUGSLEY: Members of the Civil Service, to a certain extent, are in the position of men at the front; they cannot complain. It is not considered the right thing to complain. Some members of the Civil Service, while they see these cases of injustice and discrimination, will not complain, because they are rather glad to see some fellow-employee treated generously. But, there is injustice and dissatisfaction all the same. I happen to know, because I was once in charge of a very important department. In that department there are expert engineers of long experience and service. Some of them have given the best years of their lives to the public service, and their salaries have not been increased beyond $4,000. Yet, here by this vote, a man may be brought in simply because he is an accountant, but whose ability and necessity to the public service are not greater than that of an expert engineer or architect, and he gets at once $500 beyond the salary which these expert officers get in these other departments. I venture to say that in the Department of Public Works and the Department of Railways there are men who are just as well entitled to get $4,500 by reason of their ability, their length of service and their value to the public, and who are not receiving more than $3,500 or $4,000.

While that is the case, this man is brought in without having any experience in the department—

Sir THOMAS WHITE: He is not brought in.

Mr. PUGSLEY: At all events he is boosted to $4,500 a year, $500 or $1,000 beyond what is allowed to expert engineers in other departments. It is idle for the minister to try to excuse it by saying that there is no complaint on the part of other officials in the various departments. The point is that there is an injustice and, if you introduce injustice as between officials of different departments, you necessarily create dissatisfaction in the Service, and we have no right to do that injustice. I would ask the minister if this matter has been brought to the attention of the members of the Civil Service Commission.

Sir THOMAS WHITE: No.

Mr. PUGSLEY: Why not?

Sir THOMAS WHITE: Because it did not seem to be expedient or necessary to do so. The recommendation of the Auditor General and the arguments advanced by him in his consultation with me convinced me that it was the proper course to take.

Mr. PUGSLEY: It is all very well for my hon. friend, in that bossy way which he sometimes assumes, to brush this matter aside; but I may say that I was minister for a number of years and that I never felt that I ought or that I could do such a thing as that. What is the use of having a Civil Service Commission for which this country pays out a large amount of money, a great many thousands of dollars, because it is supposed to be doing very effective work—

Sir THOMAS WHITE: What for? For examination?

Mr. PUGSLEY: For putting efficient men into the Service, carrying on proper examinations, and seeing that nobody is promoted unless he is qualified for promotion.

Sir THOMAS WHITE: What would be the function of the Civil Service Commission under the Act with regard to such a case as this? What have they to do with questions of salary?

Mr. PUGSLEY: They would, in the first place, consider the question of the length of service: They would consider which class he should be put into, and if he were put into the first class, having had a certain length of service, his salary would then, of course, be determined by the statute which provides for salaries to the members of the Service in different classes. Here the minister proposes, without having this gentleman examined at all as to his fitness, without any consideration as to the length of service, to ride rough shod right over the members of the Civil Service Commission and ask Parliament to fix this salary. He does not think it is necessary to give Parliament the slightest information as to why the salary should be fixed at this amount. I would ask, and I think I have the right to ask, the minister why an Assistant Auditor General who at most is performing the services of an accountant, should be receiving some $500 to $1,000 more than the officials of very high standing in the other departments, the Marine and Fisheries Department, the Department of Railways and Canals, the Public Works Department, where, as I have said, these expert engineers do not receive anything like the salary that is proposed to be given to this gentleman? It was in order to prevent injustice of that kind, to promote efficiency in the Service, that, under the Civil Service Act, a Civil Service Commission was appointed. It was to prevent favouritism; it was to prevent ministers picking out their friends and boosting them into these soft jobs. I do not care now whether this is suggested by the Auditor General or the Minister of Finance. I have a very high regard for both of these gentlemen, but if I had any voice in the matter I would not permit it in the case of the Auditor General any more than in the case of the Minister of Finance. I protest as much against it in the case of the Auditor General as if it were a direct act of the Government done without the request of that official.

Mr. BURNHAM: Do I understand the hon. gentleman to say that it is assumed that the ministers of the Crown or the members of this House are crooked and would boost their friends unduly? Is that the assumption?

Mr. PUGSLEY: The hon. gentleman asks a question which I should be very glad to answer if it were essential to the question under consideration. I do not wish to unduly press the point, but this gives to the ministers an opportunity to boost their friends—I repeat the words—and that is the opportunity which Parliament, by the Civil Service Act, intended to take away. I would move that the words "including

Assistant Auditor General at $4,500" in item number 11 be struck out.

Mr. MURPHY: The minister asked the hon. member for St. John (Mr. Pugsley) what the Civil Service Commission would have to do with the question of salary. Under the Civil Service Act they would have nothing to do, because this amount is in excess of the highest amount provided under the Civil Service Act, and that is why the special item is put in.

Sir THOMAS WHITE: That is a reason for bringing the matter to Parliament, but not a reason for consulting the Civil Service Commission, whose functions are to pronounce upon the qualification of an official and no more. The amount to be paid to the official is a question for Parliament. Therefore, the argument of my hon. friend that we did not consult with the Civil Service Commission falls to the ground because no question arises as to the qualification of Mr. Sutherland. He was an official of the Auditor General's Department, qualified for this duty, and enjoying a salary of $3,750 per year. As I pointed out to the House, the Auditor General, who had gone to England, came back after having looked carefully into the situation there and having become convinced that it was desirable that the office of the Auditor General should be represented in London. In looking over his staff for a qualified man, he determined that Mr. Sutherland should be sent to England to represent him. He thought, also, that Mr. Sutherland was deserving of the title of Assistant Auditor General, and that the salary should be $4,500 per year. My hon. friend has mentioned the case of engineers. There may be some engineers in the Civil Service who are entitled to $4,000 a year or more, but it is to be pointed out in that connection that, so far as public works are concerned, instead of increasing the public works, we have been diminishing them; therefore the argument of my hon. friend that the engineer should be especially considered falls to the ground.

Mr. PUGSLEY: The minister has not at all answered the criticism which has been made. Either it is desirable to have these salaries fixed by the Civil Service Act or it is not, and the minister ought not to pass over the Civil Service Commission and give exceptional increases. I will press my motion, because, even if we do not succeed in impressing our views on the House, it is desirable to put ourselves on record on these matters of reform and economy. I would move that the words " including Assistant Auditor General at $4,500 " be struck out of item 11.

Amendment negatived on division.

Department of Finance and Treasury Board —Salaries, including Assistant Deputy Minister at $4,500; Comptroller of Dominion Currency at $4,500; Accountant of Contingencies at $3,000; Commissioner of Taxation at $5,000; Assistant Commissioner of Taxation at $3,500.

Mr. PUGSLEY: I really think that these items ought to be struck out. I venture to say that the salary of $4,500 which my hon. friend asks for the Assistant Deputy Minister is higher than that paid to any man of similar qualifications in the service. Simply because officials of his department want an increase, my hon. friend proceeds to act in violation of the Civil Service Act. We should either stand by the Act or repeal it. If the Government are determined persistently to violate the Act, let them repeal it, and then run riot in the salaries which they pay to their officials. In every one of the cases mentioned in this item there is a violation of the provisions of the Civil Service Act. How much does the Chief Engineer of the Department of Railways and Canals receive?

Sir THOMAS WHITE: $5,000.

Mr. PUGSLEY: The gentleman responsible for all the engineering work on Government railways—a gentleman who has been in the service of the department for years, and who is practically next to the minister—gets only $5,000; yet it is proposed to give the assistant Deputy Minister of the Finance Department, in violation of the terms of the Civil Service Act, an amount within $500 of the maximum salary allowed to the Chief Engineer of the Department of Railways and Canals. What does the Chief Engineer of the Public Works Department get? The salary used to be only $4,000.

Sir THOMAS WHITE: Chief Architect, $7,000.

Mr. PUGSLEY: My hon. friend knows the special circumstances under which this princely salary was given to the chief architect. Mr. Ewart, who had been there forty years, never received over $4,000.

Mr. TURRIFF: That was a Manitoba touch.

Mr. PUGSLEY: In the first division, Department of Public Works, there are five men receiving salaries of $4,000. That amount must be the salary of the chief engineer of the Department of Public Works, a gentleman whose knowledge,

judgment, experience and integrity are brought to bear upon the expenditure of millions of dollars of public money. It is of great importance that a first-class man be in charge of that branch of the department. I am not speaking for the present chief engineer. I know that he would not make any complaint with regard to the injustice that is done by this discrimination. Having been for years in the public service, under the Civil Service Act he cannot receive a higher salary than $4,000 a year. Possibly he has no friend to ask that he should get a large increase; presumably he is content to continue under the provisions of the Civil Service Act. But the Minister of Finance is asking Parliament to grant the large sums of money for the salaries to which I have referred. The Commissioner of Taxation, for instance, is to get $5,000, which is $1,000 more than the chief engineer of the Department of Public Works is allowed to receive under the Civil Service Act. This is the more inexcusable in that it is becoming the habit of the Government to ask Parliament to violate the provisions of the Civil Service Act. They are doing it every year, but this is the most glaring case of all. I certainly protest against it; I do think that the item should be struck out.

Sir THOMAS WHITE: There is no violation of the Civil Service Act. The Government thinks that these men are deserving of the respective positions and the salaries attached to them, and they are asking Parliament to vote the money. If the men mentioned in this item were paid 50 per cent more than the amounts stated, they would, in my judgment, be inadequately paid. At eight o'clock I purpose telling the committee what the Finance Department has been doing since war broke out. I must do it in justice to the men who have given of their time unreservedly, day and night, Saturday and sometimes Sunday, to the work of my department. No financial institution in Canada—I know them all fairly well—could have discharged the duties which have been discharged by the men of my department, faithfully working as they have, without regard to official hours, whether called upon night or day. Those men have done work that will redound to the credit of the Finance Department and of the Civil Service for all time to come.

I will take the opportunity, after eight o'clock, to make a statement to this House, not because I think it is necessary by reason of anything my hon. friend has said, but because I think it is only fair to the officials of my department that this House should know the duties they have been called upon to perform in connection with the loans and in connection with the financing in this country of the Imperial Government. If there is anything that has impressed me since I have been connected with the Finance Department, it is this—the absolute injustice done to men of conspicuous ability, men who in civil life would receive fifty if not a hundred per cent more money for similar work to the work they are doing for this Government. We lost one of the best men in the Civil Service, Mr. H. T. Ross, because under the Civil Service Act we were not able to pay him what he should have been paid long before, and at the present time we are unable to retain civil servants or to maintain the standard of the Civil Service in this country because of the kind of criticism we have been receiving this afternoon. I speak with some feeling in this matter, because I know personally that the efficiency of administration in this country depends upon the Civil Service. I say that men of the greatest ability in the Civil Service, some of whom have come under my attention in my own department, have, on account of the criticism which is offered from time to time with regard to salaries which outside would be considered entirely inadequate for the duties they perform, been prevented from being dealt with justly by Governments and by Parliament. I say that, and as far as the Finance Department is concerned, why should men who have carried on the duties they have performed since this war has broken out be paid half the amount or less than they would receive if they were working with financial institutions doing the same kind of work? There is a comradeship between myself and the officials of my department, and I have the highest possible respect for them as they have for me. So far from being over-paid, those occupying the most important positions are substantially underpaid, and it is a marvel to me that men such as those that I have in mind are content to remain in the service and to discharge so faithfully as they do the duties imposed upon them, having regard to the salaries they are paid. So far as I am concerned, I say that those salaries instead of being too high, are decidedly too low, and at eight o'clock, I will

give the House a statement as to the work performed by the officials of my department who, the hon. member says, are not worthy of the salaries opposite their names in this estimate.

At six o'clock the Committee took recess.

After Recess.

The Committee resumed at eight o'clock, Mr. Rainville in the Chair.

Sir THOMAS WHITE: It had been my intention for the information of Parliament to make a statement as to the duties arising out of the war which have devolved upon my department during the last three years and the present seems to be a convenient opportunity when the item of salaries is under consideration by the committee. Prior to the outbreak of the war the staff of the department was engaged in the administrative work devolving upon it under the statutes and usages of the Dominion. It consisted of its chief executive officers, and of a staff of clerks and assistants, its organization in that respect not differing materially from that of any other department. But when the war broke out, by reason of the part that finance plays in all wars the duties of the Department of Finance were naturally very greatly increased. Not only were the duties usually transacted by the department increased, but the war brought additional duties of a very heavy character indeed. These additional duties may be classified under two headings: First, duties connected with the movement of currency owing to conditions arising out of the war, and secondly, duties arising out of the placing of our large domestic loans in the Dominion of Canada.

When the war broke out, the world was largely indebted to London, and as exchange was immediately affected, and as payment could not be made in the usual way by exchange operations, the outside nations proceeded to ship gold to London; that was the only means they had of liquidating their international balances. Among other nations immediately indebted to Great Britain was the United States. Bankers and merchants of the United States, endeavouring to pay indebtedness presently falling due in London, commenced to ship large quantities of gold to that city, but on account of the dangers of ocean navigation that was found inexpedient as the rate of insurance soon became unduly high and ultimately almost prohibitive. In order to meet the situation the Bank of England in the fall of 1914 announced that the Minister of Finance here, as trustee for the bank, would receive gold deposits from merchants and bankers in the United States, and that delivery of gold here for account of the Bank of England would be considered as the equivalent of the delivery of gold in London in payment of obligations there. That was a matter of convenience, having regard to the difficulties and dangers of ocean shipment, which made it impossible to send the gold to London direct. This action of the Bank of England was greatly appreciated in the United States and a large movement of gold took place towards Canada. In that movement over $100,000,000 of gold in coin and bars was shipped from the United States to Ottawa, was lodged in the vaults of the Finance Department and held there subject to the order of the Bank of England.

I should point out to the House that there is a very great deal of detailed work in connection with the receiving and handling of gold. Without going too much into particulars, I may say that the coin and bars must be weighed down to 1,000th of an ounce, that it can only be done by expert officials, that the greatest care must be taken in the handling of the gold to prevent abrasion, and that, altogether, work of that character can only be done by experienced men. On the first movement of gold from the United States to Canada over $1,000,000,000 of the metal was received and handled by the officials of the department. In 1915 the exchange situation changed. Instead of the United States being obliged to send money to liquidate obligations in Great Britain, Great Britain by reason of her enormous purchases on this continent, and by reason of the change in the international exchange situation, was obliged to reverse the situation, and that condition has prevailed up to the present time; in other words, Great Britain, being obliged to purchase on this side of the Atlantic great quantities of munitions materials and supplies, including foodstuffs and wheat, in addition to borrowing money in the United States and Canada for that purpose, has been obliged to supplement such borrowing by sending in enormous shipments of gold from Asia, from Africa and from Great Britain, and it is in connection with those shipments that I desire to occupy the attention of the House for a few moments in order to indicate the onerous duties that have devolved upon my depart-

ment. This gold, as I have stated, has come from several continents, and has been carried in ships of war to Halifax or Vancouver. Those ships have been met either by my deputy minister or his assistant or by the comptroller of the currency or some other trusted official, who has exercised supervision over the transport of that gold to Ottawa. It will surprise the House and the country if it could realize the magnitude of the transactions involved when I say that the Department of Finance has handled for the Imperial Government and for the Bank of England in connection with these gold shipments since the outbreak of the war no less a sum than $1,000,000,000. Over $1,000,000,000 in gold coin and gold bullion have been received by a few officials of the Finance Department at Halifax and Vancouver, have been brought across the continent, have been weighed down to 1,000th part of an ounce for the most part, and have been held and disposed of for the account and on the order of the Bank of England or the Imperial Government.

Mr. PUGSLEY: Is that mostly in bars?

Sir THOMAS WHITE: It would, I think, be mostly in bars, because under modern conditions gold is handled more in bars than in coin, but the point I desire to make is that over this period of three years the officials of the Finance Department have handled that enormous amount of gold involving all that detailed work with no expense whatever to the Bank of England or the Imperial Government, with the exception of a few hundred dollars for cartage. I am not making this statement in order that any credit may devolve upon myself or the Government, but I do feel that I should make the statement in simple justice to the men of that department who have devoted themselves unsparingly day and night to the duties of their office.

In addition to handling that gold for account of the Bank of England the department has been indirectly concerned—and here I desire to pay a tribute to the officials of the mint rather than to those of my department—with the operations carried on by the mint at Ottawa. It will surprise the House, I have no doubt, to learn that we have in Ottawa Mint a refinery for the refining of raw gold which has the largest capacity of any refinery in the world. That is due to the fact that about a year and a half ago the mint was enlarged in order that we might treat gold from South Africa and Russia which had not been refined to a sufficient degree of fineness when it reached this country. Late in May, 1916, plans and preparations were made for an extension of the refinery, and in seven weeks the extension was completed and in operation. The present capacity is 250,000 ounces or $5,000,000 per week, and the method employed is what is known as the chlorine process. Since September, 1915, there has been received at the mint $225,000,000 in raw gold, practically all of which has been refined and delivered, which work has been done in addition to the regular work required at the mint.

The work of the officials of my department who have been immediately concerned has not ended there with receiving this gold. Under instructions from the Imperial Government, that gold has been moved, to the amount of hundreds of millions, to New York. Great care was required in weighing out, in shipment, and in the attention necessary in connection with the sending of this gold forward by express. As I have stated, over $1,000,000,000 of treasure has been handled and distributed, a staggering sum, I suppose probably twice the amount of gold in the United Kingdom at the outbreak of the war.

In addition to the service in connection with these transactions, an immense volume of detailed work and responsibility has devolved upon the officials of my department in connection with the domestic loans. Before the war broke out all our financing was done in London. The loans were arranged by our financial agents there, the Bank of Montreal, after cable communication with the minister or deputy minister. The detailed work connected with these loans was carried out, of course, by the staff of the Bank of Montreal in London. The House is aware that since the outbreak of the war we have placed three domestic loans in Canada. The first loan was for $50,000,000 increased to $100,000,000. The securities issued were in denominations of $100, $500, and $1,000. The next loan was for $100,000,000, and in connection with that loan applications to the amount of over $200,000,000 were received, with deposit payments in connection therewith, of course. In March of this year we issued another loan of $150,000,000 and in connection with that offer applications to the amount of $250,000,000 were received. Besides the deposit payments, of course, these several loans were subsequently all paid up. All this is well known to the House,

but that which is not known, and could not be known except through a statement made by the minister or some one else on behalf of the department, is the enormous amount of work devolving upon the officials of the department in connection with these loans. Subscriptions might be sent in through any branch of any of the chartered banks of Canada, and there are about 3,500 of these branches. Not only did the department keep account with practically all of these branch banks, because subscriptions were received through nearly all, but it was actually necessary to keep an account, so to say, with each bond itself, in order that the transaction might be correctly handled. The banks, as agents of the Finance Department, issued provisional receipts. These receipts had to be prepared and sent to the banks by the department. Then scrip had to be issued as a provisional security. This was prepared in the department and forwarded to the banks ready for those who had subscribed to the loan. Then, as the instalments on the payments were made, the department was notified, and, of course, the necessary accounts had to be kept in the department. Ultimately, the bonds had to be engraved and forwarded to the several banks in exchange for the outstanding certificates. Take for example, the last loan. There were forty thousand subscribers, and over two hundred thousand separate pieces of scrip were delivered in connection with that transaction. Of course, a great deal of the routine work is done by temporary help; we have had to greatly increase our staff to meet the situation. But the heavy and responsible work in connection with these loans has been done by a handful of men in the department; the deputy minister, the assistant deputy minister, the comptroller of the currency, and the chief officials in the office. These men have given themselves to the duties of their position in a manner that has commanded my admiration, and I feel that I should be lacking in simple justice to the staff and to the Civil Service if I did not bear this testimony and have it placed upon record. To my knowledge some of these men have permanently injured their health,—I am not in the least exaggerating the situation. The public do not know and cannot know the strain imposed upon certain departments of the Government in time of war. I should like it to be known when this war is over that the officials of the Department of Finance have acquitted themselves in the manner I have indicated.

[Sir Thomas White.]

Let me say something of the staff itself. All this work has been accomplished with comparatively little increase in the number of the staff of the department; so far as the leading officials are concerned, there are actually fewer than there were at the outbreak of the war. The organization of the Finance Department when the war began included the deputy minister, the assistant deputy, of whom I shall say a few words in a moment, the accountant, Mr. Saunders, and the comptroller of dominion currency, Mr. Rourke. Of these principal officials all are there to-day with the exception of Mr. Ross, who has been lost to the department. He was a great official, being a man of high character and fine ability. When I was in England in November last I received a cable from Mr. Ross stating that he had received a very attractive offer. He was not willing to leave the service, but I think that he felt that in justice to his family he should submit the situation to me. Though I knew I should miss him very greatly, and though I knew that the loss to the service would be great, I felt that I should not stand in his way, and I so cabled him. The result is that Mr. Ross is now the secretary of the Canadian Bankers' Association, enjoying a much larger salary than he would have obtained in the service of the Dominion. The executive work of the Finance Department is carried on by the deputy minister, the assistant deputy, Mr. Saunders, and the comptroller of the currency, Mr. Rourke, and certain other leading officials to whom I have referred.

As to the particular item under discussion, I may say that Mr. Ross received as assistant deputy minister a salary of $4,500 a year. I filled the position by promotion. I did not go outside of the department. If I had gone outside of the department into the financial world to fill the position occupied by Mr. Ross, I have no hesitation in saying that I should have been obliged to pay $7,000 or $8,000 in order to obtain a man who could fill that position. I know something of the salaries obtained in the financial world and obtained for financial skill. I would have been obliged to pay much more than $4,500 in order to get a man to fill that position, and I am not sure that I could have got a man to properly fill that position, because the knowledge of financial administration in connection with the Government is not found except at Ottawa. So that Mr. Ross's position was filled by the promotion

of Mr. Saunders, who had been for many years Dominion accountant, and who was thoroughly versed in the financial affairs of the Dominion. I submit that was an eminently proper course for me to pursue. A very deserving man was appointed to the position, and I gave him the same salary that Mr. Ross obtained, because there is one less official in the Department of Finance. Then, Mr. Rourke, who has had most to do with the movement of gold and who is an excellent official, assiduous in his devotion to his duties and highly skilled, was advanced also to the same salary of $4,500. In the re-arrangement of the staff I doubt if there is any increase in the total of the salaries of the executive officers as a whole.

If I have any fault to find with the Finance Department, it is that there are not enough principal officers. When I was in charge of a business I always used to insist upon an understudy for every important position, and I believe in plenty of help and well paid help. You will never have a highly efficient Finance Department, or any other highly efficient department of the Government, until you are willing to pay men reasonable salaries for skilled service. As far as this particular item relating to the salary of the assistant deputy minister is concerned, it is precisely the same as it was before. The controller of the Dominion currency has been advanced to $4,500, and my opinion is that he is underpaid to-day —substantially underpaid—for the service which he renders. Then we have another item, that of "Accountant Contingencies," at $3,000. The accountant of contingencies is Mr. Brittain. Mr. Brittain until last year was in the second division grade "A", and had gone up to the maximum of the division, namely, $2,800. The House may know that among the other duties which have developed upon me since the outbreak of the war are those connected with the position of honorary treasurer of the Patriotic Fund. Some $23,000,000 or $24,000,000 have been subscribed to the fund by the patriotic people of Canada, and there is a very great deal of work connected with the administration of the fund in my office. All the moneys are paid into the honorary treasurer and they are checked out by the Finance Department to the several organizations throughout the country for the purposes of the fund. The official who has had to do with that work is Mr. Brittain and Mr. Brittain has literally laboured day and night, in season and out, in connection with that work. The Canadian Patriotic Fund, about a year and a half ago, offered to give Mr. Brittain a gratuity of $1,000 in recognition of his patriotic service in connection with the fund. Mr. Brittain declined to accept that gratuity. He said that he preferred that his work should go to the fund, that that was his contribution. When I had under consideration the question of salaries this year, I thought it only fair to Mr. Brittain, who is an excellent official and quite entitled upon his merits as an officer apart from the duties devolving upon him in connection with the Patriotic Fund, that he should go into the first division of class "A" and should receive a salary of $3,000. I doubt if any hon. member of this House will raise any objection to Mr. Brittain being recognized by advancement to a position having a salary of $3,000. In addition, we have the commissioner of taxation at $5,000 and the assistant commissioner of taxation at $3,500. In connection with my department in ordinary times there is what is known as the Tariff Branch. It requires experienced and skilled men to be competent tariff officers and I believe I am fortunate in having two of the ablest tariff men in this country in my department. Both men had long experience in connection with the Customs before entering the Department of Finance. One is Mr. Russell and the other is Mr. Breadner. With Mr. Breadner, with Mr. Russell and with John McDougald, who is a great official, one of the greatest officials this country has ever produced, and who holds the office of Commissioner of Customs, this country is exceptionally well equipped in tariff officers. I doubt if any country is better equipped or served by tariff experts than Canada is by the Commissioner of Customs and the two gentlemen I have named. It is the duty of these men in the Tariff Branch to keep in touch with tariff matters, with general business and industry, with prices and with the tariffs of other countries so that we have at all times information in respect to matters that may be of importaance in connection with the tariff. Last year I introduced the Business Profits War Tax Act and its administration has devolved very responsible duties upon my department. In the organization which was created to carry out the legislation we appointed Mr. Breadner as commissioner of taxation and Mr. Russell as assistant commissioner of taxation. These men have had in addition to their ordinary duties the responsibility of administering the Business Profits

War Tax Act, a very responsible duty indeed. They have had to organize, practically over the entire country, a staff for the purpose of carrying out the provisions of the Act and of levying and collecting the tax. I bear tribute to the faithfulness and ability with which they have carried out their duties. But the point I desire to make now is that there has been added to them since last year the administration of this Act. In recognition of that fact, and of the additional duties and responsibilities devolving upon them, their salaries have been increased by $500 in both cases, Mr. Breadner from $4,500 to $5,000 and Mr. Russell from $3,000 to $3,500. These are the circumstances with the increases which are indicated in this item in the Estimates now before the committee. I submit that the work of the department has greatly increased, that the staff have fully risen to the occasion, and that all the members of the staff whose names are mentioned here and with whose cases I have dealt in this brief statement before the committee are deserving of the appointments which they have received and of the salaries attached to the positions.

Mr. LEMIEUX: Without in any way diverging from the question, may I ask at this point if in the collection of the war tax there are many cases pending where people have refused to pay and action has been taken by the department, or if the administration has been smooth, and every one has paid?

Sir THOMAS WHITE: The administration of the Business Profits War Tax has been most satisfactory. The public who have been subjected to the taxation have been more than willing to pay their contributions—they have been anxious to pay. There have been practically no cases of dispute between the department and those assessed. That arises from the fact that in most cases the capital is comparatively easily established; the profits are made known from the accounting statement, and the rest is a matter of mathematical calculation. But there are, of course, many cases in which a difference of opinion would arise and in which difference of opinion has arisen with regard to capitalization; and there have been some cases of dispute as to the amount which might reasonably be allowed for depreciation under the Act. A number of cases of that kind are always pending. But when the matter has been brought to my attention and we have gone into the facts fully and have had the parties to Ottawa and fully considered the situation, there have been almost no cases in which we did not reach a conclusion that was satisfactory to the department. There has been no disposition on the part of the public to resist the taxation in any way; in fact, the contrary has been the case; they have been anxious and desirous to pay, and I hope that it will not be necessary to litigate any cases in connection with that taxation. On the whole, I think the impression has been that the department has administered the tax very fairly and reasonably, always with a due regard to the provisions of the Act, which, of course, it is our duty to enforce strictly.

I do not know that it is necessary for me to say anything further. I am glad in a way that my hon. friend raised the question of the salaries, because it has given me an opportunity of making a statement which I feel that I should make in reference to the staff. I do not believe that any of these salaries are high, having regard to the skill required, the responsible nature of the duties devolving upon the officials. On the contrary, I believe they are considerably below the salares paid in financial institutions outside. I am positive as to that, and I make the statement again which I made this afternoon, that I do not believe there is any financial institution in this country which could have handled the gold shipments, of which I have made special mention, and the domestic loans, aggregating $350,000,000, as efficiently as the officials of the Finance Department have handled that business. Just in connection with the loans, let me point out that there were not only the $350,000,000 of war loan issues, but in addition to that, over 100,000 of the small war saving certificates have been issued. I am sure the House will be pleased to learn that within the last three months the public of this country have subscribed for over 100,000 of these $25, $50, and $100 war savings certificates, aggregating over $7,000,000 in gross amount. Those represent for the most part subscriptions by those of comparatively slender means. They were anxious to contribute of their resources to the Government in order to aid in the prosecution of the war. In addition to that, they will have their savings in that form of investment, and that may be a matter of considerable importance to the country, especially having regard to the conditions that may prevail after the war is over.

Mr. PUGSLEY: The Minister of Finance entirely misconceived the criticism which I

made against his action in over-riding, as I said, the provisions of the Civil Service Act, and including these amounts in the estimates in the way he has done. The only answer he has made is that the department has had a great deal of important work to attend to. I do not dispute that. But other departments have also had very important work to do. Take the Department of Marine and Fisheries. I understand that its work has been very great, and necessarily it would be greatly increased by reason of the war. But I do not understand that the Minister of Marine and Fisheries is recommending that in the case of his officials the Civil Service Act should be disregarded. I do not understand that his officials are asking for that. I understand that they, having taken their offices under the Civil Service Act, have been quite content to perform their duties and to take the increases which the Act provides. So I thought that the Department of Militia had been very greatly worked and overworked during the war. I do not imagine that there is any official of the Government who has had a greater strain put upon him by the war than General Fiset, the Deputy Minister of Militia. But his minister is not recommending that the Civil Service Act should be overridden in his case. He is not asking for special consideration, or a special vote of Parliament. Apparently the Minister of Militia recognizes that in these times of stress, when everybody has to suffer, when many people have to do a great deal of work for very little pay, and everybody has to live on very much less than he required before the war, the officials of that department are willing to perform their duties without asking that the law should be violated. When the Minister of Finance, with his broad and generous views upon financial questions, accustomed to big salaries, many times beyound what this Government has been paying to its officials, comes in and asks that, with respect to his department, an exception shall be made, that the law shall be overridden, the reasons for the establishment of the Civil Service Act by Parliament shall be ignored, and that these gentlemen who have been in the service a very short time shall receive for limited service the same salaries as other officials who have been giving splendid work to the country for a great many years. My hon. friend the Minister of Finance speaks of the work that has been done; and I am willing to recognize the importance of it, and the splendid way in which it has been done; I am willing to join in testimony to the officials of the Finance Department for their energy, capability, and devotion to duty. But I desire, also, to say to the Dominion Government and the people of Canada that they ought to be proud of the Civil Service at Ottawa in all departments, and I have had occasion to know the way in which they perform their duties. I say that in all the departments the Government and people of this country are getting splendid service at, in most instances, a very low remuneration for the duties which are performed by the Civil Service.

But the Minister of Finance has forgotten to tell the committee that he has in his department now 117 employees, as against 104 last year.

While there is much responsibility in the handling of gold bars, I take it that the assistant deputy minister, the comptroller of dominion currency and the accountant of contingencies are not very much occupied in handling them. Very large responsibility rests upon the efficient Deputy Minister of Finance in connection with these matters, but he is getting no increase. Is there any official in the department who has the same degree of responsibility as the deputy minister? Under the Civil Service Act he is entitled to $5,000 a year; apparently he is contented with that. New men are brought into the department and given substantially the same—in one instance exactly the same—as the deputy minister receives, who has been in the department for a great many years. The deputy minister has grown old in the service; to my knowledge he has done splendid work. My hon. friend referred to the great work of the mint. His department has nothing to do with the mint, which is a department of the Imperial Government.

Sir THOMAS WHITE: I paid a tribute to the work of the mint.

Mr. PUGSLEY: My hon. friend did so with the view of throwing a halo round himself and his department. The mint was established by the late Government, in the face of a great deal of criticism on the part of hon. gentlemen then of the Opposition. The mint is doing splendid work, but it is a department of the Imperial Government; therefore its work does not in any way add to the work which the officials of the Finance Department are performing. My criticism is that equally good and equally important work is being done in other departments; that it is contrary to the principles upon which the Civil Service Act

was based and contrary to the spirit which ought to animate the Government in the administration of that Act that certain officials should receive exceptional treatment as against other equally hard-worked officials. The salaries proposed to be given to the assistant deputy minister and the comptroller of dominion currency, $4,500, and the commissioner of taxation, $5,000, are not warranted by the Civil Service Act. My hon. friend knows that he is acting contrary to the provisions of the Civil Service Act when he comes to Parliament and asks for this vote. He has referred to Mr. John McDougald, Commissioner of Customs, as a splendid official. So he is, but he has given his whole life to the service of the country, and, splendid official as he is, the Minister of Finance has not asked for an increase for him. Not one dollar is to be added to his salary, notwithstanding the length of his service and the great work that he has done. Yet this young man who was appointed commissioner of taxation, coming into the department only in recent years, receives the same salary as Mr. McDougald, whom my hon. friend has eulogized.

Sir THOMAS WHITE: Does my hon. friend not know that Mr. Breadner has been thirty years in the Dominion service?

Mr. PUGSLEY: Well, I suppose Mr. McDougald has been fifty years in the service.

Mr. HAZEN: Oh, no, he was in this House not so very many years ago.

Mr. PUGSLEY: Pretty nearly fifty years, then.

Mr. REID: Twenty years.

Mr. PUGSLEY: Mr. Breadner was in a subordinate position in the Customs Department, while Mr. McDougald occupies a position next to the minister. Besides, Mr. Breadner was out of the service for a while, being employed by the Canadian Manufacturers' Association.

Mr. REID: He was twenty-six years in the service before he went with the Canadian Manufacturers' Association. He has been back about four years.

Mr. PUGSLEY: How many years was he out of the service?

Mr. REID: About four years, but he has been in the service about thirty years altogether.

Mr. PUGSLEY: I should not like to say anything that would even appear to be a criticism of Mr. Breadner, for I recognize that he is an excellent official. But the Minister of Finance is taking Mr. Breadner outside of the Civil Service Act, and he is leaving Mr. McDougald under its provisions.

Mr. REID: Perhaps the hon. gentleman does not know that Mr. Breadner was getting a salary of $4,500 a year from the Canadian Manufacturers' Association at the time he returned to the service.

Mr. PUGSLEY: I suppose he was, but he chose to come back to the service of the Government. There must be attractions in the Government service. Mr. Butler, who was Deputy Minister of Railways and Canals for quite a long time, could have obtained outside the Government service at any time twice the salary that he was receiving in the department. In the Department of Public Works, for instance, the chief engineer, the assistant to the chief engineer, or the superintendent of dredging would, I am told, receive from private companies or firms very much larger salaries than they receive in the service of the Government. But they are not treated with any special favour; they are compelled to accept the increases which the Civil Service Act provides. The comptroller of currency, to whom the minister referred, has not been a long time in the service.

Sir THOMAS WHITE: Twenty-two years.

Mr. PUGSLEY: The Chief Accountant in the Department of Public Works, who handles millions of dollars every year, and whose duties are very heavy indeed, receives only $3,625. Since the Civil Service Act came into force he has been obliged to accept the increases provided by that Act. I mention him because I happen to know the very important duties which he has performed. He is not complaining—I am not speaking at his instance, for I have not been communicated with by anybody—but I am endeavouring to point out to the minister that great dissatisfaction is liable to be caused in the Civil Service by this discrimination—by applying the Civil Service Act to some officials and not to others. Hundreds of employees in the Civil Service, who are working at from $900 to $1,200 per year, are deserving of increases. They are hardly able to keep soul and body together in these days of the high cost of living, yet they cannot get any increase; they must remain under the terms of the Civil Service Act, getting increases through length of ser-

vice only as the Act provides. I do not complain that the gentlemen to whom I have referred are getting more than they are entitled to or more than they would get if engaged with firms or companies carrying on business. What I object to is the discrimination which the minister is exercising towards these gentlemen as against others in the service who are equally deserving and who discharge equally as important duties. The minister sought to show that the issuing of scrip takes up an enormous amount of time. One would almost think that these gentlemen had to write the scrip in their own handwriting or on a typewriter. My hon. friend knows that this scrip is all printed.

Sir THOMAS WHITE: I do not know anything of the kind.

Mr. PUGSLEY: Or lithographed.

Sir THOMAS WHITE: My hon. friend does not know what he is talking about when he says that.

Mr. PUGSLEY: How is it done?

Sir THOMAS WHITE: Scrip is partly printed, but the names, payments, etc., have to be filled in, and this involves an immense amount of work.

Mr. PUGSLEY: Is that all?

Sir THOMAS WHITE: Yes. That is enough, too.

Mr. PUGSLEY: Then it is all printed or lithographed, with the exception of certain blanks, which have to be filled in. This work could be done by any clerk receiving a salary of $500 a year. It is not work that requires any broad intellect.

I venture to say that my friend the deputy minister or those gentlemen who are receiving increases in salary would devote very little attention to that work, and that it would be done by some one of those hundred odd employees who are in the service of the department and who are receiving the smaller salaries. Let us take the Department of Marine and Fisheries, and let us take Mr. Anderson, the chief engineer as an instance. Mr. Anderson has been in the service for a great many years; he is discharging duties of a very important character; he is supervising the expenditure of millions of dollars of the people's money; he occupies a position where keen judgment, strict integrity and great devotion are required; yet all he receives under the Civil Service Act is $4,000 a year, and he cannot get one dollar beyond that amount because that is the highest salary attaching to the head of a department next to the deputy minister. Yet, notwithstanding the fact that my hon. friend has a full knowledge of the long service that Mr. Anderson and men like him have given to the country, my hon. friend here gives to this comparatively young man a boost of $1,000 over and above what he receives under the Civil Service Act. In the Department of Public Works, Mr. Ewart, the chief architect, who has been for forty years, perhaps longer, in the department and who is a most faithful official, cannot receive more than $4,000 a year. In the Department of Railways, the chief engineer, I think, although I am not quite sure, receives only $4,000 a year. Mr. Dufresne, who was brought to the Department of Public Works from Winnipeg receives only $4,000 a year, although he is doing work of a very important character, and the supervising engineer, Mr. Valiquet, receives only $3,600 a year. All these gentlemen are doing very important work, and work which I think might be just as well recognized as the work which is being performed by those gentlemen in the Department of Finance; but the Minister of Finance is generous; he is apparently looking after his employees all the time; he does not care what the Civil Service Act provides for; he apparently does not care how the employees of the other departments of Government are treated; he has broad and generous views in regard to his own department, and he asks this committee to favour certain officials in his department, and to leave the others to plod along as best they can, bound by the Civil Service Act. It is for that reason, I find fault with the minister and not because for the work those gentlemen are performing they are highly paid; it is because I think there ought to be certain general rules which should apply to all the departments, and the Civil Service Act having been brought into operation to prevent discrim-

9 p.m. ination taking place, to prevent favouritism, and to have one rule which should govern promotions and increases in salaries in all departments, it is because of all these things that I have said that the minister is violating the spirit of the Act, and that I have been endeavouring to criticise him in what I trust has not been in an offensive manner, but simply a manner that might be calculated to draw his attention to the undesirability of discriminating in this way and to stop such a course being followed in the future.

Sir THOMAS WHITE: As I have made an engagement to meet some of the members of the British Commission between nine and ten o'clock, I would be glad if the committee would oblige me by going on with some other item.

Mr. PUGSLEY: Certainly.

Sir THOMAS WHITE: There is no reason why the discussion should not proceed while I am absent from the chamber.

Mr. LEMIEUX: I wish to add a few words to what has already been said by my friend (Mr. Pugsley). I need not say that I am a friend of the civil servants. I have always shown my sympathy with the Civil Service in a practical way, because I know many of the civil servants; and while I do not begrudge the increases which have been given in the cases mentioned by the Minister of Finance, and whilst I also bear tribute to the officials whose salaries have been increased, I can not, however, help thinking that something should be done for another class of civil servants. On different occasions, since the beginning of this Parliament in 1911, the question of increasing the salaries of the lower officials has been mooted in this House. The House will remember that in 1913 the question came up before us and that a Bill was to be introduced by which the messengers, letter carriers and third class officials of the Civil Service were to have their salaries increased. I understand that with the war breaking out and with the heavy expenditure entailed thereby, the Government have found it difficult, if not impossible, to implement the promise that was made then; but with the buoyant revenue and with the liberalities, the largesses, that have been made in favour of some, indeed of many of the higher officials, it seems to me that the Government should, not later than this session, increase the pittance which the messengers, charwomen, letter carriers and generally speaking, the third class officials in the various departments of the Government receive. I need not say that in the present high cost of living, it is simply impossible for the messengers, letter carriers and others to live. Not a day elapses that I do not receive letters and petitions disclosing a state of things which should not be continued if the Government can prevent it. With the present price of the necessities of life, the price of food, the price of clothing, it seems to me that the Government should not hesitate, and that at this session a Bill should be introduced to give to those poor Civil Servants the increases to which they are entitled. I hope that before the committee adjourns we shall have a declaration on the part of the Government of their policy on this subject.

I quite agree with my hon. friend the Minister of Finance that Mr. Brittain is doing excellent work in connection with the Patriotic Fund. I happen to be a member of the Patriotic Fund Committee, and I can assure this committee that no man has given more unreservedly and more liberally of his time than has Mr. Brittain. While speaking of the Patriotic Fund—and I am here expressing only my own opinion, and I commit no one to that opinion although I have heard it expressed by many outside of this House—as this war may last for many months more, although we all hope it will not last so long, and as the demand upon the public will become more and more pressing, I think that instead of leaving the Patriotic Fund to the generosity of the public at large, the Government should impose a small tax on every Canadian in order to assist the families of our soldiers who are serving overseas. That opinion has already been expressed in the press, and even by some of the most influential members of the Patriotic Fund committee. At present some people are called on over and over again to give subscriptions to the Patriotic Fund, while hundreds of thousands who are well able to subscribe contribute nothing. The special tax need not be very heavy. A mill on the dollar might bring magnificent results. I know that some villages and towns and cities and counties have contributed very generously. I remember last winter I was asked to inaugurate a campaign for the Patriotic Fund in the county of Renfrew, represented by my hon. friend to my right (Mr. Graham), and I am proud to say that the town of Renfrew alone contributed $50,000 inside of a week, although on two previous occasions it had given a like amount. The county of Renfrew also subscribed $100,000, outside altogether of the town's contribution. That was a splendid example for the other counties, but I still hold the view that though there is in some cities and towns and villages and communities that broad patriotism which impels the people to do their duty towards the Patriotic Fund, the Government should make a point of seeing that the thousands and thousands who now

escape are called upon to contribute, by imposing a small tax on every Canadian from one end of the Dominion to the other. Perhaps some members of the committee share my views on this question, and will speak this evening.

Mr. W. F. MACLEAN: I have a great deal of sympathy with what the previous speaker has said about increasing the pay of the lower grades of the Civil Service, especially as regards making it operative in the case of the outside service as well as the inside service. I believe that none are more worthy of recognition than the letter carriers and the carriers on the rural mail routes throughout the country, and now that the Minister of Finance has somewhat loosened the bag in connection with his own department I hope that his generosity will extend to the other departments, with a view particularly to increasing the salaries of the lower grade officials.

One thing that interested me most of all in the remarks of the Minister of Finance was his statement with regard to the handling of the gold reserves of this country by the national treasury. The work has been done so well that I think the taking care of the gold reserves of this country should be left to the national treasury and its branches, and that hereafter the whole gold reserve of this country in connection with the operations of the Government and of our banks should be held in the national treasury at Ottawa. It is the beginning of a newer and a higher system of banking. It has already been adopted in the United States, where the banks now see the benefits of the gold reserves being in the custody of the Government. I think these gold reserves can be handled better and more cheaply in the national treasury than anywhere else. I think the gold reserves of this country, whether of our financial institutions or of the banks—there is a gold reserve in connection with the banks, though I cannot quite say where that gold reserve is—should be held in the national treasury and handled by the Finance Department. In speaking on this question before in the House, I have taken the ground that the nation should be at the head of the currency and banking institutions of our country, and I think the Finance Minister has given us a splendid illustration to-night of how well the nation can take hold and handle that part of our administration. When the minister comes to a revision of the banking and currency laws of this country I hope he will see his way to follow more closely the excellent example of the United States of making the national treasury the repository of all the gold in the country.

Administration of Justice—Salaries, including J. P. Bill, at $4,000, and Miss G. Avery, promoted to Second Division, Subdivision B, at $1,200.

Mr. PUGSLEY: Why is it necessary to name these officers?

Mr. DOHERTY: When Mr. Bill came into the department he had been in a good law practice which he had to give up. At the time he entered the service it was understood that should his services prove satisfactory he would be given $4,000 which is the limit of his class. He has been in the department for three years, beginning at $3,300, and now is receiving $3,600.

Mr. LEMIEUX: What are his duties?

Mr. DOHERTY: He is a law officer to the department. On a number of occasions his work has come under my personal observation and I have found it very satisfactory. If he conducted his legal practice with the same ability he has shown in the department he would certainly earn at least a sum equal to this. Miss Avery is doing secretarial work for the Solicitor General. She is very attentive and frequently has to work beyond the regular hours. I feel that she earns even a larger salary than this.

Mr. PUGSLEY: I do not wish to be unduly critical, but the very reason why these names have been given in the Estimates is that the Civil Service Act is not being complied with. I have made my remarks in that connection in discussing the Department of Finance.

Administration of Justice—Living allowance for Judge of Atlin District, B.C., $1,200.

Mr. LEMIEUX: Who is the judge there?

Mr. DOHERTY: Judge Young.

Mr. LEMIEUX: What salary is he receiving?

Mr. DOHERTY: The salary is $3,000, the same as was formerly given. The living allowance has been in force for many years.

Mr. PUGSLEY: Where does the judge reside?

Mr. DOHERTY: At Prince Rupert.

Mr. PUGSLEY: Why is it necessary to provide a living allowance for a judge residing at Prince Rupert?

Mr. NESBITT: It must be pretty expensive there.

Mr. PUGSLEY: It is on a line of railway and I do not see why living there should be more expensive than in Vancouver or Victoria.

Mr. DOHERTY: This living allowance is an inheritance from the previous Government, a Government which, according to hon. gentlemen opposite, did all things wisely and well. I have no information that the cost of living at Prince Rupert has decreased since this allowance was made.

Mr. PUGSLEY: I was told to-day of a living allowance that was made in the case of an official in Dawson City. But suppose a railway were constructed to Dawson City, the effect would at once be to reduce the cost of living probably to one-quarter of what it is to-day. Before the railway was built at Prince Rupert, it was necessary to take supplies overland at very large expense, but I suppose that to-day these supplies are delivered at one-tenth of what it formerly cost. The minister is hardly safe in taking as a precedent what was done long before the railway was built. The case reminds me of one that was discovered in the Palais de Justice in Paris. A man stood in the hall every day, and it was known that he was paid, but no one knew why. On inquiry, it was found that twenty-five years before they had painted the hall, and the man was put on to guard the fresh paint, and they had gone on paying him for twenty-five years.

Mr. DOHERTY: I shall make inquiry as to what the painting operations were in this case.

Mr. GRAHAM: It has nothing to do with this item, probably, but there is a matter respecting the administration of justice in Ontario on which, I think, the Dominion and Provincial Governments should get together.

The number of cases to be tried, as well as the voters' lists to be looked after in many of the counties of Ontario, does not give sufficient work for one judge. Still we find that when a vacancy occurs a second judge is appointed. In a time like this, particularly when we are trying to save every dollar that we can, when the Finance Minister is warning us to eat less, to have our clothes pressed more frequently and to buy as few new ones as we can, and all that kind of thing, the public in these counties think it is a somewhat peculiar attitude for governments to take in appointing a second judge when there is not enough work to keep one judge warm. Take the county of Renfrew, for instance; a vacancy occurred there, and that vacancy remained for many months—I imagine it ran into years—unfilled. The one judge was not overworked; he was not kept busy; he could have doubled his work and then not have broken any union labour rules. But we found the other day a second judge appointed. The difficulty these two men now have is to divide the work which was insufficient for one man into two parts nearly equal so that each of them can have something to do. Now, what the Minister of Justice will say in regard to that I think I know; he will say that the Provincial Government creates the office and we fill it. The Provincial Government has the power to say whether there shall be one judge or two judges in a district or county. For a good many years there have been two judges in Renfrew, and so long as the judges were there, of course, no person would suggest that either of them should be removed. The senior judge proved to be quite elderly, and in order to have the work performed it was necessary to appoint a junior judge to really do the work. But the senior judge having passed away, the work was continued as before by the junior judge until recently, when a senior judge was appointed. I know the Minister of Justice could decline to appoint a judge even although there was a vacancy, but I can quite see difficulties in the way of his taking that attitude when the jurisdiction of the province calls for another judge. Is there not some way by which the Minister of Justice can call the attention of the attorneys general of the various provinces to the fact that in many of the counties there is not sufficient work for one judge, and that matters might remain in statu quo where two judges are acting, but that when a vacancy occurs they ought to take into consideration the duties to be performed and ascertain if it would not be possible to have a judgeship left vacant or abolished altogether. In ordinary times it is of sufficient importance to call attention to it, but in a time like this, when every man, woman and child is expected to do his or her duty and to aid financially and in every other way in the carrying on of the war, I think the governments ought to consult together, and that where it is possible to convince the province that a judgeship need not be filled, that judgeship may at least be left vacant if not abolished altogether.

Mr. DOHERTY: No doubt there is a great deal in what the hon. gentleman (Mr. Graham says. The position is that we are face to face with a law enacted by the proper authorities determining the number of judges and it is a little difficult for us to step in and override the determination of the Legislature which is charged with that duty. In regard to the suggestion that is made, I may say that something over two years ago I did take up this matter more particularly in regard to the province of Ontario. I think it is more largely in Ontario than in the other provinces that there might be room for the suggestion that there are too many county court judges and that possibly in certain counties one judge might do the work. I took the matter up a couple of years ago with the then Attorney General of Ontario looking not to a system under which the position should remain in existence and not be filled by the Government but looking to a system whereby there might be a great reduction in the number of judges and, of course, making a reduction in such places as the hon. member referred to where possibly there would not be enough work for the number of judges provided for. At the time I made some suggestions of this kind upon the subject it appeared that they were looked upon favourably but they were never followed by action and I find myself face to face with the same situation. I certainly would be glad if the different provincial authorities would look into the matter and, where circumstances justified it, I would be very pleased if they would take such steps as might reduce the number. In the meantime it is not very easy for me to undertake to discriminate and determine whether the number of judges provided for would be justified and proceed to do the things which under the law they ought to do. I might be mistaken about it and if I were I would be in the unfortunate position of overriding the opinion of those who by law are charged with the determination of the question. But I will be very glad to act upon the suggestion again and request the provincial authorities to look into the question of the number of judges and the amount of work they are called upon to do.

Mr. NESBITT: I would like to endorse what my hon. friend from Renfrew (Mr. Graham) has said and I would urge upon the minister to take the matter up as he has suggested. What the hon. member for Renfrew said is true that in some of the counties where they have two judges they have no more work than one judge can properly do and not be hurried at that. Litigation of this kind has fallen off very materially recently in Ontario and there is no necessity for having so many of these judges.

Mr. LEMIEUX: Is any of this $10,000 for miscellaneous expenditure applied towards the making of the voters' lists in unorganized territories? The judges in the unorganized territories are supposed to prepare the voters' lists. There is a special provision in the electoral law to that effect. Is any of the amount spent for the revision of the lists?

Mr. DOHERTY: I believe not.

Supreme Court of Canada—Contingencies and disbursements, $15,500.

Mr. LEMIEUX: Where are those contingencies?

Mr. DOHERTY: They are indicated in the general terms of the item. I have not any details of the item but the hon. member will note that this is the same amount as was provided for last year. It includes books, stationery and printing, temporary employees engaged from time to time, telephones, telegrams, and many things of that kind.

Mr. GRAHAM: How much of this item was spent last year? The appropriation seems to be about the same from year to year, and if any of it is unnecessary it would be a good time to cut down the estimate.

Mr. DOHERTY: I have not the details, but the officer informs me that the amount is just about spent in each year.

Mr. GRAHAM: I see an item for sheriffs. With us in Ontario the sheriffs are provincial officers. How do we come to be paying them?

Mr. DOHERTY: I understand that while the sheriff is a provincial officer his services are required for our Federal Court, and the sheriff of the county of Carleton is paid, I think, $5 a day, for the days on which his services are required by us.

Mr. MACDONALD: I observed a newspaper report the other day that the Dominion Government had advised the Imperial Government that it would be unwise for them to pass an Act concerning certain legislation passed by the Legislature of British Columbia. My recollection of the circumstances is that the province

passed legislation and the point was raised that, owing to the expiration of the term of the legislature, for some reason, the legislation was beyond the power of the province. An application was made to the Imperial authorities for confirmatory or declaratory legislation. The suggestion was made that the Imperial Government asked the Dominion Government for advice, and that the advice was given that it would be unwise to confirm the legislation.

Mr. DOHERTY: What happened was this: Certain legislation was enacted by the legislature of the province of British Columbia and it was sanctioned, I think, on the 15th of March. The question that arose was whether the term of the legislature expired on the 14th of March or the 15th of March. What happened was that the legislation went through the Chamber on March 14 and was sanctioned by the Lieutenant Governor of the province only upon March 15, and there was some question in the mind of the legislators as to the validity of that legislation. The province of British Columbia considered that the proper way to remedy it was to get the Parliament of the United Kingdom to ratify that legislation. They sent forward their petition for this legislation through the Secretary of State, who forwarded it to the Imperial authorities. The latter, whether in their own mind there arose any question on the subject or not, for some reason asked this Government its opinion as to the necessity for or desirability of this legislation, and this request, by some accident, did not reach the department as promptly as it might. The Imperial authorities repeated their inquiry and expressed great anxiety for an opinion. In compliance with their request, we did express an opinion on the matter on which we were asked to express an opinion, and substantially the opinion was that, whatever might have been the situation with regard to the existence of the legislature at the time of the sanctioning of this legislation, there was subsequently elected a legislature about whose power there arose no question whatsoever. This legislation, which had been enacted in that way, and which it was suggested had been sanctioned after the legislature had expired, was on a subject matter within the legislative competency of the Legislature of British Columbia, and assuming that the first legislature had expired and therefore those laws were not valid, the matter being one susceptible of being dealt with by the legislature of the province of British Columbia, it seemed to us perfectly clear that that new Legislature of British Columbia was perfectly competent itself to ratify and validate the legislation of the previous legislature. I am just giving a statement of the substantial question. More than one piece of legislation was affected by this doubt, because, if my memory serves me, the legislation concerning which the question arose was legislation extending the term of the legislature, and, of course, if that legislation extending the term of the legislature was not valid it would affect the validity of such legislation as was enacted during the extended term, and they desired to have all of that legislation ratified. But it seemed to us, with all respect to the advisers of the Legislature of British Columbia, to be quite clear that it was quite within the power of the new Legislature of British Columbia, concerning whose legal existence and competency there was no question, to validate that legislation and to give it retroactive effect. I do not know what action was taken by the authorities on the other side; I am inclined to believe that the Imperial authorities concurred in the advice offered to them. Upon that I do not speak positively.

Mr. PUGSLEY: I should think that all that this Government would have done would have been simply to transmit the request of the British Columbia Government to the Imperial authorities.

Mr. DOHERTY: That is all we did.

Mr. PUGSLEY: I understand that this Government did not suggest, in the first instance, anything to the Imperial Government, but that the Imperial Government asked for advice. In that I would be inclined to think the British Government erred. I should think that if they were going to deal with the subject at all they ought not to have asked for advice from the Dominion Government, because the Lieutenant Governor of a province represents the Crown.

That has been held by the Judicial Committee of the Privy Council, and I would think that the British Columbia Government would be entitled to have the Imperial Government take such action as might be deemed proper, independently of the Dominion Government. Perhaps it would have been better if this Government had simply transmitted the request to the Imperial Government, to be dealt with entirely by them. However, I may be wrong in that. Perhaps this Government was right in giving advice, but I would have thought

differently, having regard to the fact that the legislature of each province occupies a sovereign position as to all matters within its jurisdiction, the Lieutenant Governor representing the Sovereign in provincial matters just as the Governor General of Canada represents the Sovereign in respect of matters pertaining to the whole dominion. As this matter, therefore, was entirely out of the jurisdiction of this Government, being a question as between the Imperial authorities and the Government of British Columbia, I would have supposed that this Government would have simply transmitted the request to the Imperial authorities.

Mr. DOHERTY: When we transmitted the request and it went forward, they rather assumed on the other side that we were asking that the request be granted, though the intention certainly was only to transmit the request. The question addressed to us by the Imperial authorities was why this Government thought that that legislation ought to be enacted. I shall not discuss the propriety of the action of the Imperial authorities in asking us that, or the question whether they should more properly have directed such an inquiry to the Provincial Legislature. They did ask us, and it seemed to us that it was only courteous that we should answer the question. But I am not quite prepared to accept the view of the hon. gentleman that the matter was no concern of the Dominion of Canada. The British North America Act concerns the Dominion of Canada very closely, and it is not desirable that the British North America Act, at the request of a province or anybody else, should be amended, or, if I may use the expression, tinkered with, unless absolutely necessary. The British North America Act is, in a sense, our common charter; it is the charter of the dominion and of all the provinces, and I think that it is not an improper view that the Government of the Dominion is interested in any amendment of the British North America Act. It would be unwise to create precedents for intervention by the home Parliament in the legislative action of provinces of this Dominion unless the circumstances rendered it absolutely necessary. One very important trust that the Dominion Government is entrusted with is the constitution of the country and, more particularly, the right to internal self-government within the Dominion, whether by provincial legislature or by the Parliament of Canada, under the British North America Act. It behooves the Dominion Government to see that precedents for interference by the home Parliament with matters within the Dominion of Canada that fall clearly within the scope of legislative power, either of this Parliament or of the legislatures, should not be encouraged. Of course, nobody disputes the legal power of the Parliament of the United Kingdom to legislate upon any matter of this kind, even though the power has been given to Canada or to the provinces. I refer to the legal power; but the constitutional right to do it is quite another thing. It is wise to have a careful eye that you do not allow precedents for such intervention to be created, and it did seem to us in this particular matter that it would be an unfortunate precedent to establish. The request by the legislature of British Columbia implied that that legislature had not the power which it seemed to us it clearly had. Acquiescence in the request by this Government through its law officers' approval of it and approval of it by the law officers of the home Government and by the Imperial Parliament would stand as creating a strong presumption that the legislature of British Columbia had not the power which we believed it had to deal with the matter. This precedent might be invoked against any other legislature within the Dominion as constituting authoritative recognition of the proposition that the different legislatures had not this power. It is a duty incumbent upon those who are responsible for the control of the affairs of this Dominion to protect the right to deal within Canada with the whole field of legislation so far as regards our internal affairs. I cannot quite agree, therefore, with the suggestion that it is a matter of indifference to us whether the provinces acquire the habit of going straight to the Imperial Parliament and asking them to legislate for the provinces in matters clearly belonging to the legislatures themselves. I do not know that any law imposes that duty upon us, but I do not think that it is a matter of reproach to us that we should feel, as I think all Governments have felt, that it is the duty of the Canadian Government to act as a jealous custodian of the right of self-government within the limits of this Dominion to the extent that that right is conferred upon us by the British North America Act.

Mr. PUGSLEY: I did not intend to reproach the Government at all: I simply

suggested that the particular question which came up in this case concerned only the legislature and people of British Columbia. I did not assume for a moment that the Imperial Parliament had been asked to validate any assumed legislation except in so far as the legislature had the power to legislate, provided it was an existing body. I was taking it for granted that the legislature of British Columbia did not ask anything more than that, so that the question of legislation being ultra vires, or anything of that kind, would not be raised. I understand that the province of British Columbia thought that as the term of the legislature had expired, there was really no legislation at all, or that the whole matter was assumption. I quite agree with the Minister of Justice that the utmost care should be exercised to prevent any alteration in the British North America Act. As the British North America Act is the constitution under which the different provinces have come together, it should be jealously guarded, both by this Parliament and by the legislatures of the different provinces. I wish to explain to the minister that that was all I meant, not that the Imperial Parliament should confirm any legislation that might otherwise be ultra vires, but simply that it should confirm what the legislature professed to do and could have done if it had been a properly constituted legislature when it enacted the legislation.

Mr. DOHERTY: The point was that we considered that that very confirmatory legislation was legislation within the power of the legislature itself.

Mr. MACDONALD: There is this further point to be considered with regard to the matter. I quite agree with the minister that if the proposition was to amend the British North America Act with regard to any question that might trench upon the problem of jurisdiction of either the federal parliament or any of the provincial legislatures, the matter should be called to the attention of the Federal Government, but in this particular case it must be remembered that my hon. friend has, to a very great degree, created a precedent in regard to the matter. The proposition that was submitted to him was an amendment to the British North America Act, it is true, but it was not an amendment in regard to any matter which would conflict with the jurisdiction of the Federal Parliament, and I submit with all deference, that it would have been better, and would have probably avoided a question which might arise in the future and from which rights could be inferred and claims could be asserted as to the Federal Parliament expressing opinions with reference to provincial legislation, if the minister had refrained from expressing an opinion upon a question which in no manner whatever interfered with or had to do with the jurisdiction of this Federal Parliament. If the question to be dealt with was one where you had legislation trenching upon federal jurisdiction, the minister would be quite within his power to state the views of his Government, but in this purely internal matter, I question whether the minister has not made a precedent which will be invoked at some future time and which will probably result in a very complicated situation. I think the minister will agree with me in that.

Mr. DOHERTY: I must say that I am glad I made the precedent, and the more the hon. member will show me that that precedent is likely to be followed, the more glad I shall be that I made it. I cannot agree with the view that it is a matter of indifference to Canada whether or not we allow a practice to grow up of abdication by the legislatures of the powers conferred upon them by the British North America Act. I think that if the legislation had been passed by the Imperial Parliament, there you would have created a very unfortunate precedent, and when some other legislature, in the exercise of a power which the law advisers of this Government, would be perfectly clear belonged to it, would seek to ratify some previous legislation of its own, it would be exposed to the suggestion: But you have not such powers; and not only the legislature of British Columbia did not think it had power, since it asked for ratification at the hands of the British Parliament, but the law officers of the Dominion evidently did not think it had, because they passed that request on without observation, and when asked for an opinion, they declined to give any, but more than that, the United Kingdom Parliament considered that the legislature had not power to legislate on such a matter, since it legislated upon it itself, apparently considering such action necessary. All of the provinces are interested, and all of the provinces being interested, I think it is a matter of general interest to Canada in there not being created precedents that are of a nature to throw serious and grave doubt upon powers which they are entitled, as we believe they

10 p.m.

are, to exercise, and I think it is very much safer to leave to the courts the determination of whether a legislature has exceeded its powers than for that legislature to be in a hurry to admit that it has, and to run to the Imperial Parliament to ask for intervention. If we were mistaken in our view, of course that would be unfortunate, just as it is unfortunate when any legal adviser gives mistaken advice; but in this particular matter, I have no reason to doubt that the view expressed was correct, and that view being correct—and I thoroughly believe it to be correct—I think there was great public interest in Canada to prevent the making of the precedent that would have been made had the legislation been enacted by the Imperial Parliament.

Exchequer Court of Canada—Contingencies, etc., $6,000.

Mr. MACDONALD: I wish to ask the minister a question in regard to a matter relating to the province of Manitoba, the correspondence in connection with which has been asked for, but has not yet been brought down. I refer to the Jury Act, which was passed by the province of Manitoba, and in regard to which my hon. friend raised some exception to the right of the province to pass such legislation. I had an opportunity of looking into the matter in some slight degree, and I was somewhat surprised to find that the ground was taken by my hon. friend that legislation on the statute books of the older provinces of Canada governed trials by juries which should be drawn and empanelled in those provinces by virtue of provincial statutes in terms practically the same as that to which my hon. friend took exception. I would like to know from him as to whether that statute was disallowed or what is the position of the matter.

Mr. DOHERTY: The correspondence was brought down and laid upon the Table of the House some time ago. The Act was not disallowed. I might further say that it is my intention, as will appear in the correspondence, to propose an amendment to the Criminal Code that will meet the difficulty, and what seems to me still to be the possible abuse that might arise by the combination of the provision of that statute of Manitoba with a provision existing in the Criminal Code. Without the correspondence before me, of course, I do not pretend to speak with absolute exactitude; but the suggestion that was made to the Manitoba Government did not proceed at all upon the ground that there was not legislative power to enact this statute. What was pointed out was that, in view of a provision standing in the Criminal Code enabling the Crown to exercise indefinitely, to the extent of the entire panel, the right simply to "stand aside" the jurors as they were called, the legislation that made it possible to summon a very large number of jurors operative in combination with the provisions of the Criminal Code, placed the Crown in a position where it might exercise this right of "stand aside" to the extent of a very large number indeed. That seemed to us an undesirable condition to be in. I do not dispute at all that there has been legislation by other provinces which has created a similar situation, but I am quite free to admit that it had never been called to my attention. It was not legislation enacted since I have held the position which I now occupy, and I may say that I have spent my life in a province where there always was and still is a limitation upon the number of the panel to be summoned. I am perfectly free to admit that this indefinite number was quite new to me. The suggestion that was made to the Manitoba Government was merely that they should not exercise this new power until, this Parliament having met, there should be an opportunity to consider the situation created by the removal of the limitation on the number—a situation which had existed for some time with regard to the other provinces, but to which our attention had not been called. Perhaps there will be a better opportunity for discussion of this question when we come to discuss the Bill which is now on the Order Paper for amending the provisions of the Criminal Code, so as to put under the supervision of the judge the extent to which the absolute right to stand aside shall be exercised by the Crown. When that legislation comes down I shall have all the papers with me, and there will be every opportunity to discuss the matter, which certainly presents an interesting question with regard to criminal procedure, and as to what is understood by the constitution of the courts in the British North America Act.

Miscellaneous expenses, Exchequer Court in Admiralty, $500.

Mr. MACDONALD: I do not want to go into the matter to-night, because I have not the papers before me, but I should like the minister to give me an opportunity when his estimates come up again to discuss the question of the cancellation of the warrant appointing Mr. Justice Martin, of British

Columbia, to be a judge in the Prize Court of that province.

Mr. DOHERTY: I am not quite clear how we can very well discuss that matter in this House. It is not a question of an Admiralty judge, though this same gentleman did hold the position of an Admiralty judge, but a question regarding the judge of a Prize Court, and a Prize Court is an Imperial Court. The judge was appointed by Imperial authority, and the action that was taken was by the Imperial authorities. No action in connection with this matter was taken by his Government, nor was there any action that this Government could take. The commission of all the Prize Court judges emanate from Imperial authority.

Mr. MURPHY: Did not the Deputy Minister of Justice appear in the case at some stage of the proceedings?

Mr. DOHERTY: It would be more correct to say that Mr. Newcombe appeared at one stage of the proceedings, under appointment of the Imperial Government. I cannot quite recollect the correct title of his position, but he appeared as the advocate of the Admiralty, and not as Deputy Minister of Justice at all. Frankly, I cannot see what we are going to discuss. There is a motion on the Order Paper, for instance, asking for papers and correspondence in connection with the matter. Now this department has not got the papers and correspondence. I do not mean to say that the legal advisor of the Admiralty has not the papers, but I do not think I am entitled to exercise any control over him in this matter, as he acts under the instructions of the Imperial Government, which also appointed Mr. Justice Martin to be a judge of the Prize Court, he being then local judge in Admiralty, and these commissions from the British Government for judges of the prize courts running to the local judges in Admiralty. For reasons sufficient to them, they revoked the commission they had granted. It was not a matter that we were concerned in at all, nor had any part in. When war broke out and it became evident there would be prize court proceedings in this country, the Imperial authorities asked us to suggest the name of somebody who might act in the capacity of legal adviser of the Admiralty, and we suggested the name of Mr. Newcombe, who is the Deputy Minister of Justice.

[Mr. Macdonald.]

Mr. MACDONALD: On the eve of war there was considerable correspondence between the Imperial and Federal Governments with regard to the constitution of prize courts in Canada. That correspondence is of course a matter of record, and indicates the action of the Dominion Government; I have copies of it. I quite apprehend the point of the Minister of Justice, that this is a matter of Imperial rather than Federal concern. Without my data before me I would not pretend to go into that question to-night. But if the minister would do me the courtesy of enabling me to bring this matter up at a subsequent date I think I might be able to show grounds why this Parliament has the right to know whether this judge signed in accordance with the previous arrangement made in reference to the constitution of the court, and that this is a matter of concern to the people of Canada.

Mr. DOHERTY: I do not want to make an absolute declaration that there is absolutely nothing in connection with these prize courts that might not be a proper matter for discussion in this House. I shall be glad if some proper opportunity occurs to discuss this matter, but I do not quite foresee to what item of the Estimates the matter would be pertinent.

Mr. MACDONALD: Perhaps on some Exchequer Court item, and I mention that because Judge alleges that Mr. Justice Cassels of the Exchequer Court, who is also a judge of the prize court, made an order which he had no right to make, and which interfered with a case before him.

Mr. DOHERTY: There is no doubt, there was a marked difference of opinion between the local judge of the prize court and the judge of the prize court, that is, Judge Cassels, who is also the judge of the Exchequer Court. Judge Martin is the local judge in Admiralty and a judge of the Supreme Court of British Columbia. If the matter can be shown to be one with which we in this Parliament are concerned, I will not stand on any technicality as to the item on which it is to be discussed.

Expenses of litigated matters conducted within the Department of Justice, $13,000.

Mr. MURPHY: What class of cases does this cover?

Mr. DOHERTY: It covers the expenses of conducting litigation by the department which is not provided for elsewhere. The

amount spent in 1914-15 was $5,937.60, and in 1915-16, it was $11,778.70. The hon. member is probably aware that while quite a large portion of the litigation is carried on through agents appointed outside, a very considerable portion is carried on in the Department of Justice itself. This item is for expenditure in connection with the latter class of cases.

Expenses under the Pecuniary Claims Convention with the United States, $5,000.

Mr. MURPHY: What stage has that reached?

Mr. DOHERTY: I cannot give the exact number of matters in dispute heard by the commission, but there have been a number, and some of them disposed of. The operations of the Pecuniary Claims Commission have been suspended since the outbreak of the war. We are asking for this vote in case the war closes and the work can be resumed.

Penitentiaries—Dorchester, $108,800.

Mr. COPP: Has the minister received petitions or letters from the guards and other officials with regard to an increase of salaries? And, if so, what is he doing about it?

Mr. DOHERTY: I have had petitions for some allowance in view of what is represented to be the exceptionally high cost of living. So far as the guards and lower salaried officers are concerned, I expect to deal with that matter in the Supplementary Estimates.

Mr. COPP: I am very glad that the minister has taken the matter up, because I have personal information that the salaries paid there make it almost impossible for the men to keep their families in respectability.

Mr. MACDONALD: I was not in when the item with regard to the Yukon was discussed. With permission, I would like to get some information on the subject. I understand there is one judge only in the Yukon?

Mr. DOHERTY: Only one High Court judge. There is a stipendiary magistrate at White Horse. The High Court judge is at Dawson. There is only one judge. He also does the work that might perhaps belong to a magistrate if we had a magistrate there.

Mr. MACDONALD: There are not as many people as there are in a good sized town in the east.

Mr. DOHERTY: No, but we cannot leave them absolutely without any provision. It is only a few years since there were three judges. We arranged for the retirement of two of them when we found the situation to be as it is.

Mr. MACDONALD: There was an item for the Manitoba penitentiary. What is the position in regard to the Kelly case?

Mr. DOHERTY: Kelly is in the penitentiary in Manitoba undergoing sentence.

Mr. MACDONALD: What is the answer the minister gave to the clergyman who passed a resolution in regard to his special treatment?

Mr. DOHERTY: We explained to the clergy that Mr. Kelly is being treated under the advice of the surgeon of the penitentiary corroborated by the advice of an outside physician who has been summoned and that we have acted in accordance with what both medical men have recommended. The papers were brought down and I think the certificates of these medical men were included amongst them, but if not I shall be very glad to bring down the certificates as to Kelly's physical condition and the necessity of dealing with him as we have dealt with him by reason of that.

Mr. MACDONALD: Some of the papers in Manitoba contained statements to the effect that he does not wear the prison uniform and does not conform to the rules, but these facts do not seem to have any relation to his being in the hospital ward of the penitentiary.

Mr. DOHERTY: It is quite true that he does not wear the prison garb. The connection between that and his physical condition is this: The certificates of the doctors show that Mr. Kelly is suffering from nervous prostration, so much so that one of them went so far as to say that Kelly ought to have been discharged. But, I felt that that was a serious matter. At the same time I did not feel, in view of the professional opinions of these gentlemen who are both reputable and competent physicians, that I could entirely override their advice and precipitate possibly a condition in which this man might become insane if his nervous condition should become any further exaggerated which, in their opinion, might be brought about by his being put into the garb and put through the operation of clipping his hair and the rest of it. We have acted in regard to the matter on the advice of these medical gentlemen absolutely as we would act upon the same ad-

vice with any convict whomsoever who might be detained in the penitentiary.

Mr. MACDONALD: Will the minister bring down the certificates to which he refers?

Mr. DOHERTY: Yes, if they have not already been brought down. I brought down the papers in regard to the treatment of Kelly and my belief is that the certificates formed part of the file. If they did not I will be very happy to bring them down.

Mr. MURPHY: Will the minister also bring down the papers in connection with the case that I asked about some days ago; that is the release of Edward Levi Baugh which has attracted some attention in Toronto? I am somewhat interested in that case, and I would be glad if the minister would be good enough to bring down the papers similar to those in the Kelly case, the doctors' certificates and the trial judge's report.

Mr. DOHERTY: With regard to the trial judge's report, the established practice has been that the reports of judges in reference to clemency cases, other than capital cases, where the judges report in the performance of a statutory duty, have been treated as confidential. The judge is not bound by law to give us reports upon proceedings in cases of clemency under the Ticket-of-Leave Act and it has been a well established practice to treat these reports as confidential. We have had the matter up since I have held my present position and it came up under preceding Ministers of Justice. It has been the universal practice not to bring down papers in connection with applications for clemency and more particularly the judge's report, the view being entertained that we can expect more outspoken advice, that advice having nothing to do with the legal side of the matter, if the judge feels that his communications to us will be treated as being confidential. This House has sanctioned the proposition that papers of that kind should not be brought down. With regard to the medical certificate I will be very glad to think that over and bring it down. I brought down the papers in this case because they were asked for not from the point of view of any application for clemency but in connection with the question as to the manner in which this man was being treated in the penitentiary. However, I may say that I do not see any objection to producing the medical certificates if there were any. I will look into it and let my hon. friend know.

Mr. MURPHY: Could my hon. friend state, if he is unable to bring down a copy of the judge's report, whether the judge favoured the application for release or not.

Mr. DOHERTY: I am not in a position to state that. The case was dealt with in my absence and I have not had occasion to look it up since. I am not familiar with it.

Mr. MURPHY: When my hon. friend does look it up, will he be able to give me the information about that?

Mr. DOHERTY: Whether the judge was favourable or was not favourable?

Mr. MURPHY: Yes.

Mr. DOHERTY: We have proceeded on the principle that we should not communicate what the judge's view was. Perhaps my hon. friend will recollect that we had a motion a couple of years ago for the production of papers and I then went as far back as I could go and found that there had been a perfectly consistent practice on the part of different ministers of justice not to bring down these papers with the exceptions which I gave at that time and I understood the House quite to concur in the proposition that it was not desirable that they should be brought down. However, I will consider the question whether there should be any objection to saying whether the judge was favourable or unfavourable.

Mr. MACDONALD: What is the attitude of the Government in regard to the discharge from the penitentiaries of prisoners who desire to enlist? I understood the Solicitor General (Mr. Meighen) went west for the purpose of making some inquiry in reference to that. Has there been any policy adopted?

Mr. DOHERTY: The Solicitor General, when he went on his tour of the west did, I think, look into the question of what men there were available for military service. At different times there have been suggestions, although they have never materialized, that it might be desirable to organize a regiment or battalion from among the inmates of the penitentiaries. We have not adopted a general system of granting people tickets of leave conditional upon their enlisting nor have we said we never would do it but our experience has led us to be very sparing in the issue of tickets

of leave of that kind. Proceeding with the voluntary system we found that a very strenuous objection came from the parents and relatives of boys going into regiments against the idea of their being put in as associates of men liberated from the penitentiaries and prisons.

One can readily understand an objection on the part of parents where it is forced on their notice that their boys are to be asked to associate with criminals. But more than that, and perhaps this is a more serious objection, there is a large number of these criminals whom no one would think it desirable to put into the ranks. There are certain classes of crimes of such a nature that it is quite undesirable to think of putting the men guilty of them into a regiment where they might corrupt their fellows. Then we have had some experience of releasing men on condition of enlistment, and in these few cases we have found quite a number of desertions. So that we have been very very sparing in the issuing of releases for enlistment. I may say that, where there existed other grounds making for the exercise of clemency, we have treated as one factor in determining a case a man's willingness to go into the service, not imposing any obligation on him. Where we thought the circumstances, taken altogether, justified release and where men have been released on ticket of leave pure and simple and have subsequently joined the forces, we have had very good reports on them, reports which have justified us in making their releases absolutely unconditional.

Repairs to Maritime Road, $1,000.

Mr. HAZEN: I should like to take up one item in the Marine and Fisheries Department in order to have my estimates before the House so that I could go on on Friday if necessary. I have suggested this small item.

Mr. PUGSLEY: I should like to say that it is rather doubtful policy to take an item as a matter of form, because it takes away from members of the House the opportunity to discuss on the motion to go into Supply questions which they might want to bring up. Perhaps the minister would waive that in case any member who is not present to-night should wish to bring up some matter for discussion on Friday.

Mr. HAZEN: Certainly, I should be most happy. This is really being done for the purpose of convenience.

Mr. A. K. MACLEAN: What is the Maritime Road?

Mr. HAZEN: It runs along the Gaspe coast towards Gaspè. By an arrangement that was made very many years ago, the sum of $1,000 has always been spent on that road. The justification for the grant was that a great stretch of the road runs through an unsettled country. Lighthouses were established along the coast, and in order to get to them with supplies it was necessary to have this road, and while a part of the expense of maintaining it was borne by the municipalities and the local authorities of Quebec, it has been customary for over forty years to give this sum of $1,000 a year.

Mr. PUGSLEY: Why is one part of the Maritime Road under the Public Works Department and another under the Marine and Fisheries Department?

Mr. HAZEN: I did not know it was the same road.

Mr. PUGSLEY: One is the continuation of the other.

Mr. HAZEN: I should like, also, to take one item in the Naval Department. All of the items seem to be large, but we might take item No. 67. We might have the item called and then have an understanding that it shall stand.

Mr. PUGSLEY: I think, on the whole, the minister had better trust us, rather than ask us to trust him. We may have an understanding with the minister that on Friday, if there is no objection and nobody seriously wants to discuss any matter, we will allow him to take up the item, even although the estimates of the Naval Department have not been under consideration on a previous day.

Mr. HAZEN: That will answer my purpose. The hon. gentleman understands my object.

Mr. PUGSLEY: The minister will see what a bad precedent it is, late at night, to get into an item in order to enable him to take it up on Friday, when there could be no discussion on going into Supply. It is rather better to adhere to the rule.

Progress reported.

On motion of Hon. Mr. Reid the House adjourned at 10.45 p.m.

Wednesday, May 30, 1917.

The House met at Three o'clock, the Speaker in the Chair.

QUESTIONS.

(Questions answered orally are indicated by asterisks.)

MATAPEDIA PUBLIC HIGHWAY.

Mr. MARCIL:

1. How much has been expended on the Matapedia public highway in the Matapedia Valley, Quebec, to date?
2. Who was in charge of this work in Rimouski county, and what amount was paid him?
3. Is the work completed?
4. If not, is anything to be done this year?
5. What was the respective mileage in Rimouski and Bonaventure counties in which work was done, and what amount was expended in each county?
6. Who was in charge of the work in Bonaventure county?

Mr. COCHRANE:

1. $9,979.14.

2 and 6. In 1913, Alfred Lepage, of Causcapsal, was in charge of repairs on 5 miles of road in Matane and 2 miles in Bonaventure county; salary paid, $75, and petty disbursements, $18.35.

In 1914, again in charge of repairs on 3 miles of road in Rimouski and 5 miles in Bonaventure; salary paid, $246, and petty disbursements, $35.75. William McCallum was also paid $63.12.

In 1915, Wm. McCallum and Silvio Martin continued making repairs over 10 miles of road in Bonaventure county; salary paid McCallum, $67.50, and to Martin, $46.25.

In 1916, Silvio Martin was employed in continuing the work in Bonaventure county; salary paid, $103.50, and to Mathias Blanquiere, acting foreman, $7.50.

3 and 4. No provision made to do further work.

5. (a) About 10 miles in Bonaventure county, 3 in Rimouski and 5 in Matane; (b) about $1,800 in Matane; $6,400 in Bonaventure and $1,800 in Rimouski county.

CANADIAN EXPEDITIONARY FORCES.

Mr. OLIVER:

1. What is the total number of officers and men of the Canadian Expeditionary Forces who had sailed for England up to May 1, 1917?
2. What is the total number of officers and men enlisted for overseas service who were on duty in Canada on May 1, 1917?
3. What is the total number of officers and men of the Canadian Expeditionary Forces reaching England on overseas service who, without having gone beyond England, have been returned to Canada as unfit for service at the front, up to May 1, 1917?

[Mr. J. D. Reid.]

Mr. REID:

1. 312,503 all ranks.
2. 25,475.
3. There is no record in the department of the total number of officers and men reaching England on overseas service who, without having gone beyond England, have been returned to Canada as unfit for service at the front.

GRAND TRUNK PACIFIC RAILWAY—TOWN OF EDSON.

Mr. OLIVER:

1. Is the Government aware as to whether or not Edson, on the Grand Trunk Pacific, between Imrie and Resplendent, is a railway divisional point, with a roundhouse, repair shops, etc., or that it is a starting point of a wagon road to Sturgeon Lake and Grande Prairie?
2. What is the population of Edson town?
3. What is the assessed value of property in Edson town?
4. What is the population of Edson rural municipality?
5. What is the assessed value of property in Edson municipality?
6. What is the population of the settlements outside Edson town and rural municipality which receive and ship their freight at Edson, Yates, Thornton, Rosevear, Oatley and MacKay stations, respectively, on the Grand Trunk Pacific?

Mr. PATENAUDE:

1. Yes.
2. 500 according to the census of 1916.
3. $1,595,255, according to provincial report for 1914.
4. The census records of 1916 do not mention Edson rural municipality by name. Rural municipality No. 555, surrounding Edson town, had a population of 169 in 1916.
5. $452,170, according to provincial report for 1914.
6. Thornton, Oatley and MacKay do not appear in the census returns of 1916. Yates settlement in that year had a population of 35, and Rosevear settlement a population of 39.

MAURICE LE BLANC.

Mr. MARCIL:

1. Is Maurice Le Blanc, of Bonaventure, Quebec, in the employ of the Public Works Department, or any other department of the Government?
2. If so, in what capacity, and when was he appointed?
3. Is the appointment permanent, and what is his salary?
4. What amounts have been paid him annually?
5. Is the position to which he was appointed a new one?
6. If so, who recommended the creation of such office?

7. Were any sums paid Maurice Le Blanc apart from his salary?

8. If so, what amounts, and why were such moneys paid?

Mr. COCHRANE:

1. Yes, in the Department of Public Works.

2. General foreman under District Engineer Taché, 1st May, 1912.

3. (a) No; (b) $1,200 per annum.

4. Salary, travelling and disbursements: 1912-13, $1,428.88; 1913-14, $1,566.92; 1914-15, $1,538.87; 1915-16, $1,538.93; 1916-17, $1,494.91. Total, $7,568.51.

5. The position is not a new one. See answer to No. 2.

6. The district engineer.

7. Yes.

8. Answered by No. 4.

BRITISH CATTLE SUPPLY CO.

Mr. OLIVER:

Referring to statement in the press of April 27, alleging that a deputation, consisting of Mr. F. C. Fletcher, General Manager of the Union Stock Yards, Toronto, and others, professing to represent the British subscribers of a company with a capitalization of $5,000,000, and with 492,000 acres of grazing land in Alberta, waited on the Minister of Agriculture and outlined plans for the development of the live stock industry for export purposes, and in which it is alleged that Hon. Mr. Burrell promised the co-operation of the Government in assisting production and marketing.

1. Is it correct that such deputation waited on the Government and that the minister replied as alleged?

2. What was the nature of the assistance in production that was intimated by the Department of Agriculture to the deputation of this corporation?

3. Did it consist of a promise to provide said corporation with free use of bulls?

4. What was the nature of the assistance in marketing, intimated to the deputation in question?

5. Where are the lands referred to situated?

6. How much, if any, of said lands are held under lease?

7. If any is held under lease, how many years does such lease run?

8. Has any arrangement been entered into between the Department of Interior and Great War Veterans' Association looking towards the cancellation of grazing leases on land suitable for farming purposes?

9. If so, will the lands held under lease by above mentioned company come under that arrangement?

Mr. PATENAUDE:

1. (a) Yes. Such a deputation, consisting of the president and other officers of the British Cattle Supply Company, waited on the minister.

(b) No. No request whatever was made by the deputation of the minister in connection with their interview. A general statement only of the purpose of the organization of the company was given in connection with addresses by several members of the deputation. The minister intimated, at the conclusion of the interview, that, while he would be very glad to have his department assist any legitimate undertaking for the advancement and development of the live stock industry, he was in the unusual position of having been asked to receive a delegation which proved to have no specific request to make of him.

2. The nature of any particular assistance in production was neither defined nor discussed by the minister with the deputation of this corporation.

3. No.

4. The nature of any assistance in marketing was not considered at all.

5. No information.

6. The British Cattle Supply Company, Limited, does not hold a grazing lease covering any Dominion lands.

7. Answered by No. 6.

8 and 9. A Bill is being introduced in the House of Commons in reference to land settlement for returned soldiers.

HEATHERTON MAIL CONTRACT.

Mr. SINCLAIR:

1. Were tenders asked for recently, to convey the mails between Heatherton post office and the Intercolonial Railway station at Heatherton, Nova Scotia?

2. If so, what were the names of the parties who tendered, the amount of the respective tenders and dates on which they were received?

3. What is the name of the party whose tender was accepted, and the amount of his tender?

Mr. PATENAUDE:

1. Yes.

2. The following tenders were received: Martin A. Rogers, $140; tender received, 10th April, 1917. John R. McDonald, $160; tender received 5th April, 1917.

3. The tender of Mr. Rogers, being the lowest received, is being accepted.

GRANDE PRAIRIE IMMIGRATION HALL.

Mr. OLIVER:

To how many persons is the Grande Prairie Immigration Hall fitted to give sleeping accommodation?

Mr. ROCHE: There are nine beds in the immigration hall at Grande Prairie.

TRACADIE INLAND REVENUE OFFICER.

Mr. SINCLAIR:

Is it the intention of the Department of Inland Revenue to appoint an officer at Tracadie,

N.S., to fill the place made vacant by the death of Moses Delorey?

Mr. SEVIGNY: No.

DRAWBACKS PAID.

Mr. PARDEE:

What amounts were paid in drawbacks by the Government during the fiscal years ending March 31, 1916, and March 31, 1917, to the following firms: Cockshutt Plow Company, Brantford; Verity Plow Company, Brantford; International Harvester Company, Hamilton; Frost and Wood Company, Smiths Falls; Massey Harris Company, Toronto; Ford Motor Company, Windsor; and Quaker Oats Company, Peterborough?

Mr. REID:

Amounts paid in drawbacks.

	Fiscal year ended March 31, 1916.	Fiscal year ended March 31, 1917.
Cockshutt Plow Co., Ltd., Brantford, Ont.	$ 6,323.46	$ 10,163.84
Verity Plow Co., Ltd., Brantford, Ont.	21.18	Nil.
International Harvester Co., Ltd., Hamilton, Ont.	63,935.11	29,020.23
Frost & Wood Co., Ltd., Smiths Falls, Ont.	Nil.	8,581.08
Massey-Harris Co., Ltd., Toronto, Ont.	31,872.58	97,118.70
Ford Motor Co., Ltd., Windsor, Ont.	127,066.10	371,481.29
Quaker Oats Company, Peterborough, Ont.	264,513.52	231,125.09

OGILVIE FLOUR MILLS COMPANY, LIMITED.

*Mr. KYTE:

1. What was the amount of Business Profits Tax levied upon the Ogilvie Milling Company, Limited, in the fiscal year ending March 31, 1917?

2. What were the net earnings of the company during said year, and the percentage of profits distributed to its shareholders?

3. What is the amount of the issued capital stock of the said company, preferred and common, respectively?

Sir THOMAS WHITE: The question relates to the Ogilvie Milling Company, Limited. I think the hon. member (Mr. Pardee) is mistaken as to the name of the company but upon the assumption that he means the Ogilvie Flour Mills Company, Limited, as I think he does, I make this reply:

1. No assessment was levied against the Ogilvie Milling Company, Limited. The amount of the assessment levied during fiscal year 1917 against the Ogilvie Flour Mills Company, Limited, for accounting period of 1915, was $280,885.85.

2. Returns have not been received showing net earnings made or profits distributed by the company during fiscal year 1917.

[Mr. Sinclair.]

3. Accounting period ended August 31, 1915.

Preferred Stock	$2,000,000.00
Common Stock	2,500,000.00
Accumulated Profits	1,122,466.46
Capital employed	$5,622,466.46

Under section 7 (4) of the Business Profits War Tax Act unimpaired reserve, rest or accumulated profits of an incorporated company shall be included as part of its capital.

LT.-COL. DESJARDINS.

Mr. CARVELL:

1. Is Lieutenant-Colonel L. G. Desjardins, of Quebec, actually employed by the Department of Militia and Defence?

2. If so, what is the nature of his functions?

3. What salary does he receive?

4. What amount has he received so far?

Mr. REID:

1. No.

2, 3, and 4. Answered by No. 1.

CONSTRUCTION OF ICE BREAKER.

Mr. LANCTOT:

In view of the declaration of the Honourable Minister of Marine, in the course of last summer, at Montreal, at the launching of the ice-breaker J. D. Hazen, built especially to prevent inundations of the St. Lawrence, particularly along the bank of the river in the Counties of Laprairie and Chambly-Vercheres, is it the intention of the Government to have another icebreaker constructed before the next breaking up of the ice?

Mr. HAZEN: The hon. gentleman (Mr. Lanctot) who asks this question is evidently under some misapprehension in regard to the facts. I was not present at the launching of the ice-breaker referred to and consequently did not make any declaration on that occasion. I think my hon. friend must have in mind some remarks I made on some other occasion although I do not know when it was. I may say, however, in answer to the hon. gentleman's question, which is affected very much by the earlier part of the statement, that the matter to which he refers is now under consideration.

LT.-COL. MAYNARD ROGERS.

Mr. OLIVER:

Up to what date did the Government pay to Lieutenant-Colonel Maynard Rogers salary as Superintendent of Jasper Park?

Mr. ROCHE: February 28, 1917.

MR. AMBROSE GREY.

Mr. OLIVER:

1. Is Ambrose Grey, Conservative Provincial Candidate in Beaver River Constituency, Alberta, in the employ of the Government?

2. If so, what date did the said Ambrose Grey enter the employ of the Dominion Government?
3. What is the nature of his appointment?
4. What is his salary?
5. Has his employment, if any, ceased?
6. If so, at what date did such employment cease?

Mr. ROCHE:

1. No.
2. June 27, 1913.
3. Homestead inspector.
4. $1,300 per year.
5. Yes.
6. Yes, January 31, 1917.

GEO. CLOAKEY.

Mr. OLIVER:

1. Is Geo. Cloakey, Conservative Provincial Candidate in Olds Constituency, Alberta, in the employ of the Government?
2. If so, what date did said Geo. Cloakey enter the employ of the Dominion Government?
3. What is the nature of his appointment?
4. What is his salary?
5. Has his employment ceased? If so, at what date?

Mr. ROCHE:

1. No.
2. 21st November, 1913.
3. Ranch inspector.
4. $1,500 per year.
5. Yes, 21st May, 1917.

BADDECK MAIL CONTRACT.

Mr. McKENZIE:

1. When does the new contract for carrying the mails between Baddeck River, North Branch and Forks Baddeck, Victoria County, N.S., go into effect?
2. When did the old contract terminate?
3. Was the old contractor offered a renewal of his contract?
4. If so, did he decline to accept?
5. Who is the present contractor?
6. Was the service put up for public tender?
7. Was the present contractor the lowest tenderer?
8. Who were the tenderers, and what was the amount of their respective tenders?

Mr. PATENAUDE:

1. 1st July, 1917.
2. The contract now in force will terminate 30th June, 1917.
3. Yes.
4. No.
5. D. McPhee.
6. No.
7 and 8. Answered by No. 6.

NAMES OF HOMESTEADERS.

Mr. OLIVER:

1. What are the names of homesteaders on Sections, 5, 6, 7, 8, 9, 10, 16, 17, 18, 19, 30 and 31 in Township Sixty-three Range Eight, West of the 4th Meridian?
2. When did they make entry?
3. What is the number of each settler's homestead?

Mr. ROCHE:

1. George Ward, Timody Dumont, James Ward.
2. George Ward, 5th June, 1911; Timody Dumont, 26th December, 1913; James Ward, 15th April, 1912.
3. George Ward, N.E. ¼ of 5; Timody Dumont, N.W. ¼ of 5; James Ward, S.E. ¼ of 5.

Mr. OLIVER:

1. What are the names of the homesteaders on Sections 4, 5, 6, 7, 8, and 9 in Township Seventy-one, Range Twenty-two, West of the 5th Meridian?
2. When did they make entry?
3. What is the number of each settler's homestead?

Mr. ROCHE:

1. No homestead entries granted.
2. Answered by No. 1.
3. Answered by No. 1.

DELAY IN ANSWERING QUESTIONS.

Mr. CARVELL: May I draw to the attention of the ministry the fact that question No. 4 has been standing on the Order Paper for nearly a month, and while I realize that the Government are very busy, it does seem to me that they could find time to answer this question. I would like to know if I can expect an answer on the next day when questions are called.

Sir GEORGE FOSTER: Yes, I think my hon. friend can expect an answer. I will look after it.

QUESTIONS PASSED AS ORDERS FOR RETURN.

Mr. COPP:

1. How many persons have been appointed to permanent positions on the Canadian Government Railways from January 1, 1916, to March 31, 1917, who were not previously employed on the said Railways?
2. What are their names, their salaries and the positions to which they were appointed?

Mr. TURRIFF:

1. In connection with Military Posts No. 12 and No. 13 in the County of Grenville or that vicinity, what is the cost per month for each?
2. What is the total cost for each since they were first established?

UNOPPOSED MOTIONS FOR PAPERS.

Mr. McKENZIE:

For a copy of all correspondence between the Post Office Department and the Post Office Inspector for Nova Scotia in respect to the mail route between Baddeck River, North Branch, and Baddeck Forks, and also of all the correspondence between Dan McPhee, Mail Contractor on said route and the said Post Office Inspector, between the 1st of January and the 20th of May, 1917.

Mr. MACDONALD:

For a copy of all correspondence, letters, cables and other documents exchanged between the Imperial Government or any of its members or officials with the Canadian Government or any of its members or officials, relative to the question of the proposed legislation by the Imperial Parliament to validate certain Acts and proceedings of the Legislature of British Columbia.

GRAND TRUNK PACIFIC RAILWAY.

REMOVAL OF RAILS FOR USE IN FRANCE.

On the Orders of the Day:

Hon FRANK OLIVER (Edmonton): Mr. Speaker, I desire to ask leave to move the adjournment of the House under Rule 39, for the purpose of discussing a matter of urgent public importance, namely, the lifting of the rails of the Grand Trunk Pacific railway west of Edmonton, now in progress.

And leave having been granted.

Hon. FRANK OLIVER: Mr. Speaker, although the subject matter of this motion relates to a part of the country very distant from the Capital, I hope it is not considered to be less important by the people of this part of Canada than it is by those in the part of Canada directly affected. This matter has been brought to my attention by urgent telegrams, one from the Jasper Park collieries, which I read to the House yesterday, and the other from the secretary of the Board of Trade of the town of Edson. Both the Jasper Park colleries and the town of Edson are very intimately and directly affected by the action now being taken. It is nearly six months since notice was first given in the newspapers that the Government intended taking this action. That announcement naturally aroused considerable interest, especially amongst the people most directly affected. When the House was convened in January I took the liberty of asking my friend the Minister of Railways (Mr. Cochrane) if such action were contemplated, and was informed by him, if I remember correctly, that it was not. The people then rested easy and were satisfied that no such action was intended. It was a shock to them to learn that it was definitely and deliberately intended that the means of communication upon which they depended, the existence of which alone made it possible for them to be where they were and to do business, was about to be taken away from them without consideration of any kind whatever, and without information to the public or to the Parliament of this country. While I do not wish to speak in a controversial tone on this occasion, I am bound to say that I do not think it right that this country of Canada and the people of Canada should be governed in that way. Surely when, for good or bad reason, it is intended by the Government of the country to absolutely destroy the value of the property owned by citizens of this country, to take from them the returns upon the time they have employed in their present location, the least that these people and the country at large are entitled to its information as to how, when and why, the reasons for such action in absolute detail. This House of Commons, representing the people of this country, are entitled to that information at the hands of this Government. I am sorry to say that when I brought the matter to the attention of the hon. minister yesterday in the terms of a most urgent telegram from an enterprise that depends upon its business for its profits and to which a delay of only one day means a very considerable financial loss, I was given very little satisfaction. This House and this country are entitled to more than a general statement that this company is going to be taken care of; it is entitled to know how this company is going to be taken care of and when it is going to be taken care of. The amount of money that is invested in this enterprise is sufficiently great to mean that a large number of citizens are affected, and every man knows that in the case of an industrial enterprise of this character, any action that has the effect of discrediting that enterprise certainly must have an injurious effect upon the investment of capital in it. So the least the Government can do when it is taking such action is, by giving the fullest possible information at the earliest possible date, to minimize the loss by eliminating uncertainty. The Jasper Park colleries is an enterprise which was undertaken at the time of the construction of the Grand Trunk railway. The collieries are located absolutely on the line of the railway, they are most conveniently situated. The coal is of a character suitable for locomotive purposes and the enterprise of the collieries is absolutely dependent upon the enterprise of the railway, partly for the coal sold to the railway company for use in its locomotives, and partly by reason of the facilities afforded by the railway for the transportation of coal to other customers.

Mr. PUGSLEY: Is the colliery on the main line?

Mr. OLIVER: On the main line of the Grand Trunk Pacific railway. It is so fortunately situated that in the earlier stages of development it was possible to chute the coal down into the cars of the railway company. There is no doubt that the convenience of location was in large measure the inducement to people to invest their money in the enterprise, and when this Government, in broad, general terms, announces that as a part of its policy those rails are to be torn up and does not vouchsafe to this House or any one else any suggestion as to what else is being done in the matter, I say it is deliberately undertaking to wreck an important industrial enterprise in the province of Alberta—and that is not the business of any Government, no matter who is its leader or who compose it.

This subject has been before the public in the eastern press for a considerable period, and in order that the House may understand the facts, I shall have to ask the liberty of trespassing for a few moments to explain the actual situation. I have seen statements in the press that for two or three hundred miles the Grand Trunk Pacific and the Canadian Northern railway were duplicated, occupying the same territory, and without any reason for two lines of railway. In this particular case I want to say that the Jasper Park Collieries are situated at the foot of Mount Miette, one of the outer chain of the Rockies, on the south side of the Athabaska river. The valley of the Athabaska river forms the eastern part of what is generally known as the Yellowhead pass, and gives entrance from the prairies into the mountains from the east side. It happens that the Athabaska river at that point is spread into a lake, or rather a series of lakes, Jasper lake and Brulé lake, so it is not a matter merely of crossing the river but, if there is to be communication across the river, a matter of bridging several miles, which, of course, would be quite impossible. These lakes run for a length of a little over thirty miles, and it happens that the Grand Trunk Pacific goes up on the one side of these lakes and the Canadian Northern railway on the other, so that when the Grand Trunk track is taken away, as it is being taken away, there is no question that the Jasper Park colleries are left absolutely in the air. Commercially, they might as well be in Palestine as where they are. I have seen the suggestion that where the Government is going to tear up the Grand Trunk Pacific tracks—and where they are needed, if you please—the rails are to be replaced by Canadian Northern rails that are to be taken up. The Canadian Northern runs for thirty odd miles on one side of the Athabaska river and the lakes, and the Grand Trunk Pacific on the other. The Jasper Park colleries are on the south side, and the Grand Trunk Pacific depends largely on these collieries for its supply of fuel. Colleries are being developed on the other side of the lake, one set by the Canadian Northern and another by the Jasper Park Colleries company, so that no one line of railway can by any possibility develop the coal properties on each side of the Athabaska valley in that stretch of the road. When the proprietors of the Jasper Park colleries see the track being taken up, they are told in a most indefinite way that they are going to be taken care of—though they know that the removal of the Canadian Northern tracks on the other side would leave the collieries there in exactly the same position. I submit that the answer given to the question of the Jasper Park Colleries company regarding the removal of these rails is not by any means satisfactory.

I have received telegrams not only from the Jasper Park colleries, but also from the town of Edson, which is a divisional point on the Grand Trunk Pacific railway, 130 miles west of Edmonton. It is the starting point of a provincial wagon road to Grand Prairie, and it has roundhouses and all the equipment of a divisional point. Two branch railroads communicate with coal mines west of Edson, so that Edson takes care of the traffic not only on the main lines, but on these two branches which form a junction with the main line a little west of the town, at a place called Bickerdike—which makes the hon. member for St. Lawrence, Montreal, famous. The population of Edson is 600. The assessed value of the land in the town is over $1,000,000; its public buildings are worth $100,000 and other buildings $250,000. It has a debenture debt of $80,000. Surrounding the town of Edson is a rural municipality with 300 voters and with an assessment of $283,000. Beyond the municipality is a settlement which includes over 1,000 people, who settled there in the express understanding and belief that they were to have the benefit of the Grand Trunk Pacific railway as their means of communication. While there are portions of the line between Edmonton and Tête Jaune Cache where the two railways are very close

together, for a distance east and west of Edson amounting to 36 miles, the railroads are not close together. The distance varies in some places from three to eight miles; at Edson the distance between the two lines is four miles, a tamarack and spruce swamp occupying the greater part of the intervening area. It is true that this swamp has been corduroyed by the provincial government, but it is not a satisfactory road, and cannot, without the expenditure of an enormous amount of money, be made a satisfactory road to those people who settled in Edson or north, northeast, or northwest of Edson, depending on the railroad to Edson as their means of communication. If these Grand Trunk Pacific rails are taken up the settlers must go four miles further through a tamarack swamp in order to reach railway communication. Not only the town of Edson, but other towns—Yates, Wolf Creek, Rosevear, Peers, Otley, Niton and Mackay, and the settlements tributary to them, north of the Grand Trunk Pacific track, will be affected. All the settlers in these places will be unwarrantedly, unjustifiedly and unnecessarily incommoded by the removal of these tracks. Their property will be depreciated in value and in some cases absolutely destroyed; the time that they have put in will be largely wasted because of the policy of the Government in removing that railway track. If it is the purpose to take up the Canadian Northern rails and carry them over to the Grand Trunk Pacific the condition is very much the same, though not quite so bad, because the Canadian Northern was built at a later date. But the large Carrot Creek settlement on the Canadian Northern line will be left in just the same position as the settlements along the Grand Trunk Pacific. Tollerton, a divisional point of the Canadian Northern Railway, where there is every facility for transacting the business of an important transcontinental railway, will be in the same position as Edson. In the case of the Jasper Park collieries, the town of Edson and adjoining settlements, the removal of the Grand Trunk Pacific tracks, unless they are replaced, means in some cases ruin and in all cases an enormous depreciation in the value of the property and of the earnings of the people affected. The course taken by the Government is without cause or reason from any point of view except the desire and intention to wreck, physically, the great Transcontinental railway enterprise of Canada, as they have already wrecked it financially.

[Mr. Oliver.]

It has been given out that not much traffic is going over these railroads; that their construction was not warranted. It is true that conditions have arisen since the roads were projected that were not contemplated and that as a consequence these railroads, like many other enterprises in Canada, have been injuriously affected. But at present there are passing over the Grand Trunk Pacific twelve passenger trains a week, equal to anything on the continent of America in the accommodation offered, and forty-four freight trains a week.

I have not the figures in regard to the Canadian Northern, but I presume that in a given time there are more trains running over the Canadian Northern than are running over the Grand Trunk Pacific, and I submit that when these roads show that quantity of traffic under present conditions, it is not fair, nor reasonable, nor patriotic, nor in accordance with common sense, to go deliberately to work and physically to wreck one or both of these roads absolutely without any possible reason.

Just a few words, if I may, in regard to the length of line involved and to the argument that these railroads parallel each other unnecessarily. The parallelling exists between Edmonton and Tête Jaune Cache, the western outlet of the pass, the total distance being 400 miles. Of those 400 miles, the country for most of the first two hundred miles from Edmonton west, although it is not exactly prairie country, is outside the mountains, but for the 200 miles from the point where the two roads enter the Athabaska Valley to Tête Jaune Cache where they leave the Fraser valley and divide, one going to Prince Rupert at the northern point of the coast line of British Columbia and the other going to Vancouver at its southern point, these railroads are traversing the only route that they could possibly traverse having regard to the point of starting and the point of destination. Therefore while I do not wish to introduce any question of policy, particularly in regard to the location of these roads, it must be remembered that the general policy of their location is put forward as an excuse for dealing with them as it is proposed to deal with them now. I have already pointed out that for 36 miles of the first 100 miles from Edmonton west, one road can not possibly serve the interests that the other road serves, and for the first sixty miles from Edmonton west, the Government are so well satisfied that one road can not serve the interests that the other serves, that they

do not purpose interfering with it, so that the parallelling between Edmonton and the entrance to the Jasper Pass is reduced to a comparatively small amount, certainly not worth the while of the Government to tear up that portion of the road unless they simply wanted to do that. From the entrance to the pass on the Athabaska to the exit of the pass on the Fraser river the distance is 200 miles, and the railroads must take either that pass or other passes which would not be so suitable to their purposes, having regard to their starting point and destination, and would not serve the interests of the people of Canada so well. From Edmonton to Winnipeg, a distance of 800 miles, that great country, to the development of which Canada looks for its ultimate future and which is traversed by three parallel lines of railway with branches in both directions, with over 100 miles of tributary settlement north of these lines and 100 miles of tributary settlement south for a great part of the distance, can be served to better advantage by railways through the Jasper pass by reason of its gradients and geographical location than by railways through any other possible pass in the mountain. Therefore, I maintain that whether these railroads are together or far apart, the great fact that they are rendering the best possible service to the prairie country on the one side of the mountains and that they are giving the largest possible development to the country on the other side of the mountain is ample and sufficient justification for their location where they are and for their being left exactly where they are.

In answer to questions that I have asked it has been stated that the reason why these rails have been taken instead of rails in other parts of Canada was because the Government, having already taken rails from the eastern section of the Transcontinental, must necessarily send only rails of the same kind and character if the service that is intended is to be fulfilled. Would I be pardoned if I said that such a statement was the absolute acme of absurdity? These railroads are to be built in France, and the rails of the railways of France do not coincide with those of the railways of England nor with those of the railways of Canada any more than the rails of the Canadian Northern railway coincide with those of the Grand Trunk Pacific; and so, when it is asserted that rails of equal quality and similar make must be taken because we have already sent some of the rails of the Grand Trunk Pacific, I can only say that such a reason discloses the purpose in view in the action that has been taken. The Canadian Northern and the Grand Trunk Pacific parallel each other for those 300 miles. When the rails and ties are taken up the road is wrecked; the grades must deteriorate; the bridges must go out; the culverts must become useless, and the enormous expenditure made upon the construction of that road is, in large measure, lost. I have nothing to say against the Canadian Northern or their enterprise, but it is a matter of fact that in the construction of their railway west of Edmonton, while they have used identically the same weight and quality of rails as the Grand Trunk Pacific, they have not built the same character of road. The Grand Trunk Pacific roadbed has cost a great deal more per mile than the Canadian Northern roadbed has cost. The Grand Trunk Pacific railway is built on the principle of cutting out curvature and change of level wherever that can be accomplished; the Canadian Northern railway is built on the principle of taking advantage of curvature and change of level wherever they can be taken advantage of to the benefit of that company as they understand it; so that the Government, in making their choice as to which rails shall be taken up, have seen fit to lift the rails from the line that cost the most money and that is admittedly the best road, and to leave the rails on the line that is admittedly not as good a road and that admittedly did not cost nearly as much money. I am informed in answer to my questions that the British Government will have to pay for those rails; that they will have to pay for the damages that have been incurred as a result of the rails being taken up. The suggestion is that they are going to pay my constituents for damages resulting to them from the picking up of these railroad tracks. My constituents will have a great chance of collecting damages from the hands of this Government under those circumstances, but I say in fairness to the British Government, if there had been any fairness in this matter, surely the Canadian Northern rails should have been lifted and not those of the Grand Trunk Pacific; but the Grand Trunk rails have been lifted, and not the Canadian Northern. Why is it that we must go out to the Rocky mountains, two thousand and odd miles from the seaboard, to get rails to send across to

France, when we have duplicate lines running through to the seaboard right here in this fair province of Ontario? These lines are duplicated just as uselessly as the lines west of Edmonton, and without the same excuse, because they do not run through any mountain pass but through an infertile country. I speak, for instance, of the Canadian Northern and Canadian Pacific lines from Parry Sound to Sudbury. Not one foot of ground in all that distance is capable of cultivation any more than is the top of that table, and those roads closely parallel each other. Is there traffic for them both? There is no more traffic for them both than there is for these roads west of Edmonton. But one is the Canadian Northern and the other the Canadian Pacific, and you must not lay hands on the Ark of God.

Mr. HAZEN: Which one is that?

Mr. OLIVER: I could not make the distinction. The Canadian Pacific has a double track from Port Arthur eastward. They were going to double track it all the way to Montreal, and they got it partially completed before the slump came before the war. Then they ceased construction, and the rails of that double track road are lying there still. The taking up of those rails would not affect injuriously the interests of any private citizen. It would, of course, be to the disadvantage of the Canadian Pacific, but the Canadian Pacific has other lines, and I submit that until they find it necessary to double track all the way through, that portion of the road is of minor importance and of minor usefulness. But we do not lay hands on the Canadian Pacific. It seems that the rails of the Canadian Pacific are bored a little differently from the rails of the Grand Trunk, although both are of the same quality and weight of steel.

The Canadian Northern and the Canadian Pacific are parallel from the foot of Kamloops Lake to Yale in British Columbia, a distance of over 100 miles. Does the presence of those two roads increase the development of that part of the country? Why no one who has ever gone through that section would ever suggest such an absurdity. Is there so much traffic over these two roads that one road cannot carry it all? That is not true, either. I am reminded also that from Port Arthur to Nipigon the Canadian Northern and Canadian Pacific are parallel, and the Canadian Pacific is double-tracked for that distance if I am not mistaken. There is no development there, and no possibility of development here or hereafter, now or in the future. So I say the conclusion is absolutely irresistible that this attack upon the Grand Trunk west of Edmonton is simply an attack upon the enterprise, and is made not with regard to the interests of the British Government and not in the interests of winning the war. It is not fair dealing as between the people that are affected, and the people that would be affected by the lifting of rails in other parts of the country. But because these rails are out in Alberta or in the Rocky Mountains, because they are not in the great province of Ontario, it does not matter. I hope we have a House of Commons here that is a House of Commons for Canada, and not a House of Commons for any one province of Canada; a House of Commons that realizes that the growth of Canada depends upon the growth of every part of this country and that connection through the Rocky Mountains by the best possible pass is an absolutely necessary factor in the development of this country both east and west of the mountains.

We are told that these tracks must be torn up in order to win the war; that these rails are required in France, and therefore they must be taken up at once because rails cannot be got anywhere else. Now, first of all, I am going to make an assertion, and it is this: the rails that have already been taken up on the 300 miles of the eastern part of the Transcontinental are not yet in France, nor is there any possibility of their being in France for a very considerable period. If rails are wanted in France, I ask you, Sir, and I ask this House, if they cannot be got, just as rails can be got to be used on roads in the Dominion of Canada. A short time ago I asked this question:

1. Are rails for renewal purposes now required on the Intercolonial Railway?

2. Will the rails so required, in all or in part, be rolled at Sydney or Sault Ste. Marie, under arrangements with the Imperial Munitions Board?

Mr. Cochrane:

1 Yes.

2. To be rolled at Sydney.

Now, if rails can be rolled at Sydney for the Intercolonial, I fancy they can be rolled at Sydney for use in France, if it is desired to roll them at that point. But never mind about Sydney. There are on the other side of the line enormous plants for the production of railway material, including rails, and every man knows that it is only a ques-

tion of price whether those rails can be procured or not. If the price of rails to-day is $40 a ton, and rails cannot be got at that money, is there anybody who will say that they could not be got for $80 a ton on the other side of the line?

Mr. R. B. BENNETT: Yes.

Mr. OLIVER: Because anybody who says so certainly is not paying due regard to the facts.

Mr. R. B. BENNETT: They cannot be got for less than $100 a ton.

Mr. OLIVER: My hon. friend has my answer already. I saw in yesterday's papers that the Russian Government is able to make a contract with firms in the United States for supplying locomotives. Could not they have made a contract for an equal value of steel rails if they had paid the price? I think they could. My hon. friend mentions $100 a ton. I ask you, Sir, will $100 a ton pay the damages to the Grand Trunk Railway Company, to my constituents, and to the people of Canada, resulting from the tearing up of these tracks? I say it will not begin to pay it, and an honest endeavour to do the best that could be done to help the war in France would have caused this Government to secure those rails from the United States at whatever price was necessary rather than tear up the rails in our own country, thereby discommoding our own people, discrediting our own enterprise, and in the end charging the British Government two or three times as much as they should have paid.

There are railways being built in Canada to-day, and there are many more that ought to be built. Rails are being bought for these railways. Rails are being laid now on a road 300 miles in length from Edmonton to Fort McMurray; were laid during the winter, and are being laid to-day. These rails were purchased somewhere, and I do not imagine that the management of that road have more resources with which to buy rails than has this Government. The Government is engaged in the construction of a railway on its own account, the Hudson Bay railway. We have been told that they have slackened construction on that road, that they are not going to push it to a finish. Well, if they are not going to push it to a finish, and at an early day too, I will ask these hon. gentlemen of what use under heaven are these rails that have already been laid, or the rails that are piled up ready to be used, but which will not be used? I am a supporter of the Hudson Bay railway; I believe that that road should be pushed to completion, and pushed to completion at the earliest day. But if the Government is not going to use these rails for the Hudson Bay road, and is not going to finish the road, then why not use these rails instead of tearing up the rails of the Grand Trunk Pacific west of Edmonton?

Hon. FRANK COCHRANE (Minister of Railways): I am more than surprised at the extravagant statements made by the hon. member for Edmonton (Mr. Oliver). He seems to know more about what rails are required and what rails should go forward for use at the front than the British Government do. These rails are laid under fire in many cases, and the British Government have asked us to send rails of the same borings and the same kind as before, so that they may be laid as easily and as quickly as possible. And now the statement is made again that we are bound to ruin the construction of the Grand Trunk Pacific and Transcontinental. It is all bosh—nothing but bosh. I have heard a great deal from the other side of the House to the effect that we have degraded the line and all that kind of thing. Why, that is all wrong; it is impossible. It is as good a road as ever has been laid; it has never been degraded in any sense of the word. I defy any one to prove it.

4 p.m.

Mr. OLIVER: Then why tear it up?

Mr. COCHRANE: I would tear up the whole Transcontinental, yes, and every other railway in Canada, to win the war.

Mr. OLIVER: Then why would not the hon. gentleman take a few Canadian Pacific Railway rails?

Mr. COCHRANE: Because, as I have told you, the British Government asked us to send rails of the same kind as those sent before. We sent over 300 miles of rails taken from the Transcontinental, taking up many of the sidings, and rails in terminal points, which are not necessary at present, because they were laid to provide for a larger business than the road is likely to have for many a year.

Mr. PUGSLEY: Are not the railways in France on which these rails are being laid narrow gauge lines carrying light engines for the purpose of moving supply trains?

Mr. COCHRANE: I do not know what railways they are used for—

Mr. PUGSLEY: That is the statement made.

Mr. COCHRANE: The statement made to us is that they want the same kind of rails that were sent before. The hon member for Edmonton (Mr. Oliver) tells the House, though he does not know anything about it, that the rails of the 300 miles already torn up have not been sent away. It is true they have not been sent across the ocean, but they are at Three Rivers, and the balance of them will go in a very short time. The authorities on the other side are urging us and cabling us day by day to get these rails ready at the seaboard, so that they may be got over as soon as transport can be furnished. The hon. member talks about the town of Edson. I have answered once before that I will look after the town of Edson.

Mr. PUGSLEY: In what way?

Mr. COCHRANE: I don't know. But I have two engineers out there who are laying out plans to that end, and they know more about it than does my hon. friend from Edmonton. I have also said that the Jasper Coal Mines will be looked after. I cannot tell the House just how, at this time, but I hope in a short time to have a map showing on paper exactly how the work will be carried on. I am not going to make a statement about something I do not know about. I am going to look after the different interests along that line, and I am going to carry out what the British Government want, no matter what it is.

Mr. OLIVER: But you don't ask something from the Canadian Pacific Railway?

Mr. COCHRANE: Because, I tell you, the Canadian Pacific Railway rails have different borings. I would like to send him to the front, by Heavens, to lay these rails.

Mr. OLIVER: I want him to understand that I am represented at the front. Is he?

Mr. COCHRANE: I know you are, but you don't talk as if you were. The hon. gentleman's talk is for pure politics, and nothing else. He thinks his chances for re-election are so bad that he will have to make use of everything, turning this whole war into a political game, instead of fighting it out as he ought.

Mr. TURRIFF: That is what the Government has done from the start.

Mr. COCHRANE: No, they have not. We had a lot of second-hand rails on the Intercolonial and Transcontinental, but we want to send over rails of the same kind as we sent before. We propose to take care of every interest along these different roads. If we cannot do it altogether, then the British Government have agreed that they will look after any damage that may occur.

Mr. PUGSLEY: Have the Grand Trunk Pacific been consulted about this and have they consented? Have the bondholders consented as well?

Mr. COCHRANE: The Grand Trunk Pacific has been asked.

Mr. PUGSLEY: The bondholders have a lien on these rails.

Mr. COCHRANE: But the Government are behind the guarantee, I am sorry to say.

Mr. PUGSLEY: I am afraid they will be behind it, if they take the bondholders' property without their consent.

Mr. COCHRANE: I hope in a few days to be able to lay on the Table a map showing how we will be able to take care of the industries along the Grand Trunk Pacific and the Canadian Northern. This is going to cost some money but nothing like the amount indicated in the extravagant statement of my hon. friend. He said we could buy rails in the United States if we paid for them. I say it can not be done; we have tried it. Nor can we buy rails in Canada unless we take the steel companies off the manufacturing of billets to make shells with; and it is necessary, by Heavens, to keep these going in order to win the war. It don't make any difference, anything they want for the war they will get it, no matter what it is.

Mr. PUGSLEY: I congratulate the House, and I congratulate the Government, upon the very admirable speech the Minister of Railways (Mr. Cochrane) has made. It is a delight to this side of the House to have the minister unbosom himself, to take the House into his confidence and let us really know what he has in his mind with regard to this matter.

The minister has done, I think, the very best he could, but in the end he tells us that he is going to look after Edson although he does not know how he he is going to do it. I would like to ask the House if it would not have been better for the minister to have asked for a day or two's delay before finally disposing of this matter so that he could have informed the House—

Mr. COCHRANE: Of course, nothing can be delayed on that side.

Mr. PUGSLEY: The minister says that he is going to tear up all the rails in Canada in order to win the war.

Mr. COCHRANE: No, I did not say that.

Mr. PUGSLEY: If necessary to win the war. That is a very laudable desire and I think we would all agree to it if it were necessary to win the war. We would do anything that could be done, but the question is whether the minister has done the wisest thing that he could have done having that object in view. What is the excuse that the minister gives? Here we have a condition in the West where the line which is being stripped of its rails is a part of the main transcontinental railway connecting the Atlantic with the Pacific and a railway which was built for the purpose of carrying on transcontinental business. It has been explained by my hon. friend from Edmonton (Mr. Oliver) that for a considerable distance in the section of the mountains where these rails are to be taken up, the Canadian Northern runs along one side of a lake, some 30 miles in length, and the Grand Trunk Pacific on the other side, and that there is a large colliery to which accommodation is being given whose development has been created by the Grand Trunk Pacific. I do not care how many engineers the minister gets out there, unless he can replace these rails on that portion of the line which runs past the Jasper collieries, he cannot give accommodation to them. It is absolutely clear from the statement which has been made by my hon. friend from Edmonton that unless the track is re-laid he would have to build a bridge three miles long across the lake in order to connect the Jaspar colleries with the Canadian Northern railway, so that it would be necessary that the rails which he is having taken up from this portion of the Grand Trunk Pacific shall be supplied by rails from some other source in order to give the accommodation that he says he is going to give. Just how he is going to give it he does not know. I think it is very unfortunate that the minister did not learn from his engineers how this accommodation could be given to the town of Edson, the Jasper collieries and all that section of the country before deciding to take this drastic measure of stripping this railway of its rails. The minister says that the British Government wanted these rails. These rails, I suppose, weigh 90 pounds to the yard. The minister will correct me if I am wrong.

Mr. COCHRANE: Eighty pounds.

Mr. PUGSLEY: There are many portions of the Government railway system where the rails are very much lighter.

Mr. COCHRANE: Have they the same borings?

Mr. PUGSLEY: What does my hon. friend mean by borings?

Mr. COCHRANE: Do you not know? Then, if you do not, you ought not to talk about it.

Mr. PUGSLEY: I do not know; I am ignorant upon the subject. What is the meaning of it?

Mr. COCHRANE: Different railways have rails with different borings. The rails of the Canadian Pacific are not bored in the same way as the rails of the Grand Trunk Pacific, or of the Canadian Northern. They particularly asked us to send rails of the same borings so that there would be no trouble in making the connections.

Mr. PUGSLEY: That strikes me as a most absurd statement. Do I understand by borings that the minister means the rolling of the rails, or does he mean the boltings?—

Mr. COCHRANE: Yes.

Mr. PUGSLEY: For making the connections? That is what I thought it was. Can the minister explain to you, Mr. Speaker, how, if 20, or 30, or 40, or 50, or 100 miles of rails were sent over there to be laid, it would make much difference as to what the borings were upon that 100 miles?

Mr. COCHRANE: Well, the British Government do not know what they want, of course, according to the hon. gentleman.

Mr. PUGSLEY: We heard the other day that the British engineers thought it would take six weeks to lay some few miles of railway track, but Jack Stewart, a Canadian, and his fellow officers did the business in four days. I am not disposed to place the judgment of British engineers above that of Canadian engineers.

Mr. COCHRANE: They are Canadian engineers who are laying the railway.

Mr. PUGSLEY: Surely, if there were 50 miles of rails taken from a portion of the Grand Trunk Pacific system, and weighing 80 pounds to the yard, and if there were 50 miles of other rails, all they would have to do would be to make one connection and the rest of the laying would be uniform. There is hardly a railway in Canada on which you will not see two or more classes of rails. You will see old rails, some 60,

some 65 and some 70 pounds to the yard, and you will see new rails weighing 80 pounds to the yard, and in some cases 90 pounds. I am reminded by my hon. friend from South Renfrew (Mr. Graham) that some rails from the Canadian Northern railway are being placed on the Transcontinental railway and there is no reason in the world why it should not be done. I know that they have laid new rails on the Intercolonial railway and that there are many miles of the road where for years there was a different description of rail, a different weight of rail and a rail having different borings used from that which was used on other portions of the line. Men acquainted with the practical work of laying rails have no difficulty, and it is all moonshine for the minister to tell me, and to tell this House, that the British Government, or the engineers of the British Government, require that the rails should be of the same weight and of the same borings. It is too absurd and every man in this House knows it. It is not necessary to be Minister of Railways to know that. Any member of this House who knows anything about railways at all will know that the statement I make is absolutely correct. We have had it in our own experience and it is within the knowledge of every man who has lived alongside of a line of railway. I have heard it stated by gentlemen who have been at the front that what is required in France is rails for the building of light railways. I think they are narrow gauge railways as a rule. That is what I have been told. I have not had the opportunity —and a very great opportunity it would have been—of being at the front, but I have been informed by gentlemen who have been there that the railways are light railways and usually narrow gauge. Of course, necessarily, they are carrying comparatively light loads and a light rail would be all that would be required. I think the minister would have been better advised if he had taken rails weighing 60 or 65 pounds to the yard, which could have been got from many of the railways in Eastern Canada, and sent them to the front. But the minister, apparently without touching the Canadian Pacific, without touching the Canadian Northern, without touching the rails which are lying at Hudson Bay for the Hudson Bay railway, goes to the railway which this Government would like to discredit. I say that advisedly notwithstanding that the minister may deny it. This Government started in when the railway was nearly built to discredit it by changing the grades or rather by not making the grades up to the specification and not making the railway the first-class road which the late Government intended it should be. They have not provided proper terminals in connection with it. They have neglected altogether the national obligation which rested upon them insofar as Eastern Canada was concerned to create terminals for the Grand Trunk Pacific upon the St. Lawrence at Quebec and at St. John which was to be the eastern freight terminus of the Transcontinental railway. They have absolutely neglected their duty in that respect. They did not create the terminals at Quebec which they were to do. They made, at great expense, a change which will take away very largely from the usefulness of the Grand Trunk Pacific as a transcontinental road. They have done all this without the consent of the authorities of the Grand Trunk Pacific, and now they go to work, as a final step in the wrecking of a national railway, and take up the rails which are owned by the bondholders of the Grand Trunk Pacific Railway, because, if the company is in default, these bondholders have a right to look to the railway, to its equipment, to its rails, to its entire property, as their security. The Government have done that without even saying "by your leave" to these bondholders, who are the ones immediately interested, not merely the first bondholders, whose bonds are guaranteed by the Government, but any second or third bondholders who may have liens against the road. They have no right to do that without the consent of these gentlemen. Therefore, I for one feel bound to say that, notwithstanding the statement of the Minister of Railways, he could have done much more effective service for the British Government in getting rails in eastern Canada where it would not have been necessary to make this break in a great transcontinental system; he would have been able to do it with less expense, and with much less likelihood of the British Government being called upon to pay heavy damages.

I think also it is to be regretted that the minister simply tells us to-day that he is going to look after this colliery and is going to look after Edson, but does not say how. There is another serious phase to this question. The interruption at this time of the operation of a great coal mine in western Canada is a matter of the most serious character.

Mr. COCHRANE: Will the interruption of the operation of that coal mine or the interruption of the prosecution of the war at the front be the more serious matter for Canada?

Mr. PUGSLEY: I should like to see both carried on. I should like to see no interruption of the collieries operation, and no interruption of the war.

Mr. COCHRANE: You do not speak like it.

Mr. PUGSLEY: But I think the interest of the people of Canada ought to be considered also. This Government does not seem to care one iota for the people of Canada.

Some hon. MEMBERS: Hear, hear.

Some hon. MEMBERS: Oh, oh.

Mr. PUGSLEY: They think they can get great glory and kudos because our boys go to the front and perform heroic deeds. They think they can get great kudos by sending rails to England. They think they can get great kudos by lending money to the Imperial Munitions Board to build ships in Canada. But they have taken no single step, so far, for the benefit of the people of Canada. They have taken no step to improve transportation.

Mr. NICKLE: Does the hon. member not consider that the Canadian boys at the front, whose condition is going to be alleviated by the construction of railroads, are part of the people of Canada?

Mr. PUGSLEY: I certainly do, but I consider that there are people left in Canada too. We have to-day the spectacle of the interests of the people of Canada being entirely neglected by this Government. Let me give a few instances while I am on my feet. I do this because the Minister of Railways has spoken as he has done. Look at the cost of coal. I speak of this because keeping down the price of coal and supplying coal to our people in abundance is of great importance both in the East and in the West, and any interruption of a great coal mining industry in the West must prove a very great disadvantage. We have learned that several collieries in western Canada are closed. There is very great danger of people being short of fuel, and to be short of fuel in our Canadian West when the winter season comes on might almost bring the people to a state when many of them might freeze to death. Is that of no concern to the minister? Apparently not. Apparently he has not thought of that question at all; he tears up these rails, which are necessary in order to give that colliery an outlet for their product. So in regard to shipbuilding, if the Minister of Marine will allow me to say a word upon it. I do it because it is a question—

Some hon. MEMBERS: Order.

Sir GEORGE FOSTER: Order.

Mr. SPEAKER: Order. The hon. member must confine himself to the subject under discussion.

Mr. PUGSLEY: I am referring to this because the Minister of Railways has made a charge against me, and has said that he would do everything in order to win the war.

Mr. SPEAKER: The Minister of Railways has no authority to vary the rules of the House.

Mr. PUGSLEY: The Minister of Railways interrupts the House so seldom that, perhaps, great privileges should be given to him when he does, and I might be pardoned for following him; but, Sir, I bow to your ruling cheerfully. I say to the minister as a last word, in all sincerity, that he can get an abundance of rails in eastern Canada without interfering with the operation of a transcontinental system. He can get them without interfering with any great industry. He ought to do that, and the fact that he has not disturbed the Canadian Northern railway or the Canadian Pacific railway—

Mr. COCHRANE: I am disturbing the Canadian Northern railway, and the hon. member admitted that we were disturbing it.

Mr. PUGSLEY: Where?

Mr. COCHRANE: We are replacing the Grand Trunk Pacific rails with Canadian Northern rails.

Mr. PUGSLEY: But the minister is not taking up any rails from the Canadian Northern railway to send abroad.

Mr. COCHRANE: No.

Mr. PUGSLEY: He is not doing that. He merely lays hold of the Grand Trunk Pacific railway, and that is evidence that he has but very little regard as to whether or not he interrupts the business of a transcontinental railway. To stop a great railway like the Grand Trunk Pacific while it is being stripped of its rails means a very great deal of damage which somebody will

have to pay in the future. The taking up of the rails without the consent of the bondholders is also a matter of very great importance. Will the minister allow me to ask him to submit to this House, if he will, the correspondence which he has had with regard to the furnishing of rails, and also any correspondence or agreement which he has had with the Grand Trunk Pacific Railway Company with respect to the taking up of these rails. I should be very glad if the minister would do that.

Mr. R. B. BENNETT (Calgary): Mr. Speaker, I, like the hon. gentleman from Edmonton (Mr. Oliver), reside in the province of Alberta. I have received telegrams and letters asking me to investigate the circumstances under which the rails of the Grand Trunk Pacific railway are being lifted west of Edmonton. I have contented myself with making the most careful investigation possible, and I do not propose to enter into any discussion in this House this afternoon as to the past railroad history in this country. I shall tell the House shortly the story as I have obtained it after the most careful investigation. The authorities overseas requested the Dominion of Canada to furnish 300 miles of rails of a given weight. They asked at the same time that the abnormal number of 1,200 turnouts be supplied with the 300 miles of track. Any gentleman who is familiar with railroad matters knows that 1,200 turn-outs is out of all proportion to 300 miles of track. It is, as you will observe, four turnouts to the mile. I ascertained further, not only from what I have seen, but from what I have been told by engineers, that these rails were required to be of great weight, and the turn-outs of equal weight, because the rails are being laid at night under shell fire; they are being laid for a given, definite purpose, and that purpose is to enable us to fight the enemy with heavy artillery rather than with flesh and blood as we have done on previous occasions. These rails it is necessary to lay to save the lives of Canadian soldiers in France and Flanders. Those are facts that cannot possibly be controverted. You ask me why the abnormal number of four turnouts to the mile are required, and I have to say to you only this: I have been told by engineers of eminence now in France who have come here and gone back that a heavy rail is necessary properly to anchor the heavy artillery at a given point to shell the enemy. The heavy artillery requires the heaviest possible kind of rail, and those rails necessarily require the heavy turnouts, which, as hon. gentlemen know, are merely little breakings-off or turnings-out from the main line. Four turnouts to the mile are required in order that our gallant railway construction corps in France—working under conditions such as men have never worked under before; at night, with very little light, the shells of the enemy falling everywhere about them—may be able to provide for the proper anchoring of guns that weigh eighty tons and for the sending within the next hour of shells into the enemy's lines. In view of these facts, I am sure the House will have an adequate appreciation of why we were asked for 300 miles of rails and 1,200 turnouts.

Mr. PUGSLEY: By turnouts, does the hon. gentleman mean what we call sidings?

Mr. BENNETT: Not sidings. Sometimes they are called sidings in this country, but I have called them turnouts or switches. From the line extending towards the German front a short line of rail is laid—sometimes a quarter of a mile in length; sometimes half a mile. Heavy rails and adequate turnouts are necessary in order that the cars upon which are mounted guns weighing in some cases as much as eighty tons may be firmly held and shells weighing sometimes a ton may be sent toward the German lines. It is hardly necessary for me to say that the concussion—the kick, as we called it when we were boys—is very great, and that, consequently, the use of very heavy steel and the exercise of great care are necessary.

When we were asked for 300 miles of rails and 1,200 turnouts, what did we do? The Government of Canada, an integral part of the warring powers, a unit on the side of the Allies, replied: to the extent of our ability, we will supply these rails and turnouts. The Government did not go to the Grand Trunk Pacific, the Canadian Pacific, or the Canadian Northern. They went to the National Transcontinental railway, the property of the people of Canada, because it was felt, having regard to other means of communication, that the removal of rails from that line would cause the least disturbance to traffic and would be a representative loan from all the Canadian people of steel rails for this purpose. So, at various terminals and at switches and sidings, 300 miles of rails and 1,200 turnouts were taken up. These 1,200 turnouts were not all taken from the National Transcontinental; some

were acquired by purchase; some were taken from other portions of the Canadian roads. Let me explain where the difficulty comes in. A turnout is bored with regard to the rail that is used on the line. If, it was merely a matter of laying a straight line and using 50, 60, 70, 90 or 100 pound rails, there would be no difficulty. When I went West the Canadian Pacific Railway was laid with 56 pound rails. On some portions of the New York Central between Ottawa and New York, 90 and 112 pound rails are used. If the line is a straight one, you can use different weights of rail as you proceed, but if the line is not straight, the turnouts are bored to match the particular kind of rail used. The rail of the weight and boring used on our lines and the turnout adopted thereto, were those that this Government, in response to the request of our Allies, procured by taking up portions of the National Trancontinental and by purchase.

It is quite true, as the member for Edmonton has said, that all of these rails are not in France. Would to God they were! We should all be glad if they were—but they are not. The German submarine is upon the high seas; transport is becoming very difficult. We have not been able to ship all those rails to France, but, to the extent of the ability of the merchant marine of England and France to carry them, these rails have been shipped to France and some of them that were taken from the Transcontinental line, together with the turnouts that were provided, are to-day making it possible for our artillery to hurl shells into the German lines.

Mr. OLIVER: Perhaps the hon. gentleman will give us the information that the Minister of Railways refused to give, and will tell us how many rails have gone to France.

Mr. BENNETT: It has been thought advisable in war that those charged with high responsibility should not disclose all they know. I do not pretend to know how many miles of rails have been sent or how many have reached France. All I know is that some have reached France, and I am sure, knowing the hon. member for Edmonton as I do, that he, for one, will rejoice that that is a fact.

Mr. OLIVER: The old story—the censorship to protect incompetence and ignorance.

Mr. BENNETT: Then it has been largely in use by my hon. friend during the most of his life. In the light of those facts, concerning which there need be no controversy, I am sure that many a gentleman on the other side of the House is proud that we have been able to supply the rails. I do not think that we should have any acrimonious contention concerning matters of this kind. Why should we? If I read aright the countenances of hon. gentlemen opposite, I do not think they are rejoicing in the fact that we had to take up rails. I feel that they, like myself, deprecate the fact that we are in the midst of a great war. But I am sure most of them believe, as I do, that the welfare of this State and our civilization are threatened. If, therefore, we can do this little bit to save our boys at the front and make it possible for them to become more effective, why in the name of Heaven should we not do it? Why in the name of Heaven should we not rejoice in doing it? Does any man in this House believe that we should not do it?

Having supplied 300 miles of rails and 1,200 turnouts, we were asked for further quantities of the same kind of rail and turnout. There was just one source from which that class of rail with the particular bore required could be obtained, and that was on the Grand Trunk Pacific. There were some, it is true, on the Hudson Bay railway, but they had not the adequate turnouts. So we went West. I was interested in this matter because I received telegrams from gentlemen asking me to look into it. The minister, unlike some of my hon. friends, did not arrogate to himself a knowledge which he said he did not possess. He said: I leave this matter to engineers who know much more than I. He said to them: Gentlemen, I want you to go West; I want you, under the direction of the Chief Railway Commissioner of Canada, who has knowledge of the traffic conditions, to determine how we can best serve our people overseas and at the same time do the least injury to traffic conditions in Canada. The judgment of engineers such as those who dealt with this matter is entitled to much consideration. They went to the Grand Trunk Pacific and they looked the situation over. They found that they could take up the rails to which my hon. friend has referred, and that 600 additional turnouts could be obtained, making a total of 1,800 turnouts, or switches, and 600 miles of track. And what happened? The rails on the Grand Trunk Pacific are being taken up. Rails are being torn up from the Canadian Northern grades and shifted over to

the Grand Trunk Pacific grade near Edson in order that the Edson terminal may be maintained and the connection with the colliery insured.

I have friends who have large investments in those collieries. They wired me, and I started out with the assumption that my hon. friend (Mr. Oliver) and my learned and hon. friend from St. John (Mr. Pugsley) have, in that I thought a great injustice was being done. I am now assured, from the evidence of the engineers, that the rails of the Canadian Northern are being shifted to the Grand Trunk Pacific roadbed, and that there will be operated a joint section (which is not a new thing in railway life in Canada) whereby there will not be the disturbance of a single train on the Grand Trunk Pacific through to the coast, and the Canadian Northern trains will go through on that joint section just as the Canadian Pacific trains, in order to make the connection for Toronto, travel over a joint section down here, and just as the trains of different companies travel over joint sections in other parts of Canada.

What happened? We have first of all this requisition for rails, and we have an endeavour on the part of the Canadian people to meet it. If that were all, we could meet it, as I have said, without having regard to weights and borings, but we had also to supply the turnouts. We had to supply 1,200 turnouts with 300 miles of rails and the first turnouts having been supplied, we had to supply the remainder, having regard to the first that were supplied. I am filled with wonder at the marvellous intellect of the hon. member for St. John (Mr. Pugsley), who spoke this afternoon about narrow gauge railways, light railways and surface railways. I am sure my hon. friend is too good a patriot to think for a single moment, that any man in Canada would send over to France or England what the people there do not want. What we are doing is to try to send over to France and England what the authorities there say they want, and surely they, whose tracks are being destroyed day after day, know better than does that eminent lawyer from St. John, and I am sure he will so admit. Let us not hope to make a little political capital out of what is a matter of national necessity.

Having supplied these rails and these turnouts, having met these obligations, there was just one other thing to be done and that was this, to maintain traffic in Canada; and to do that, the rails of the Canadian Northern were shifted over on to the grade of the Grand Trunk Pacific, the terminals at Edson being maintained and the colliery connections being assured, and the joint section is now in operation. Let us now ask ourselves how much traffic is passing over that road, because that is a very important matter. Not a single pound of munitions nor a single dollar's worth of that which is a sine qua non to the winning of the war is being carried over it. It is only a new road in a new state of development, but the through traffic over that road has not been disturbed, and the road, by reason of the joint section, will serve the traffic necessities alike of the Canadian Northern and of the Grand Trunk Pacific. Should not that be a complete answer? If you are using the Edson terminals; if the traffic is assured of both the Canadian Northern and the Grand Trunk Pacific; if in order to accomplish that you have shifted the rails from the Canadian Northern to the Grand Trunk Pacific; if the colliery connections are assured, I should think every man in this House would rejoice. My hon. friend from St. John speaks about the bondholders. Was ever anything more pitiful than a great mind directed to so small a thing? Is anything more painful, more ludicrous, aye, more than that, more contemptible than that a great intellect should, in a moment of stress and strain like this, be used in such a manner?

Mr. SPEAKER: Order. The hon. member is exceeding the rules of debate.

Mr. BENNETT: I am asking the question.

Mr. SPEAKER: It is not in order for the hon. member to say, by indirect methods, what he cannot say directly.

Mr. PUGSLEY: I think my hon. friend knows a little better than to say what he has said.

Mr. BENNETT: I will put it in this way. Can anything be more tragic than that any member of this House should speak about the rights of bondholders, when the British Government and the Canadian Government have put the collective credit and weight of the resources of the British Empire behind 300 miles of track? That is really what this means. In the midst of a great struggle, we have on the one hand a few bondholders interested in 300 miles of track, and on the other, the combined

resources of the British Empire to make good the damages, the making good of which is guaranteed by this Dominion, and by the obligations, not only of Great Britain, but of France. Such a condition of affairs simply beggars description. I cannot keep myself within the rules of order and adequately describe it.

Mr. PUGSLEY: Then the hon. member had better sit down.

Mr. BENNETT: I have no doubt my hon. friend would like me to do so.

Mr. PUGSLEY: No, I like to see the hon. member on his feet.

Mr. BENNETT: Nothing more remains to be said in relation to the question except one observation in regard to the collieries. The collieries have not been put out of business; it is not proposed to put them out of business, and it has not been suggested that they will be put out of business. The cold facts are that the lay-out has been arranged so that the collieries may continue to be served, and, as I have said, my assurance is that unless that could be done the rails would not be moved. I still think that the rights of the citizens of Alberta can be protected without any violent attack being made against individuals, who, at the moment, happen to occupy a place of responsibility under the Crown. I still believe that the interests of the Dominion of Canada are, at this moment, so inextricably involved with those of Great Britain and France that any service that we can render, however small or insignificant it may apparently be, involving merely the moving of a few miles of rails and a few hundred turnouts, should be done so gladly, so willingly, that in no Parliament that I can conceive of within the Empire would a thoughtful, responsible member of Parliament take up the time that might well be otherwise used in finding fault with the patriotic and willing service that is being rendered by the Government that happens, for the time being, to be placed in the position where it can respond to the reasonable demands that are made upon it by those who are directing military operations overseas?

Hon. GEORGE P. GRAHAM (South Renfrew): Mr. Speaker, the words of the chief of the National Service Board strike us with a great lack of harmony. He chastises members of the House for wasting its time in useless talk, but a good portion of his time was taken up in backing in and out of the rules of order of the House. He could not, in this time of stress, keep within the rules of debate, in referring to an hon. member on this side of the House who dared to discuss this question. As a member of this House, I am becoming heartily sick of the way in which every time a member on this side discusses any question, some hon. member on the opposite side challenges his loyalty, directly or indirectly.

An hon. MEMBER: Disgusting.

Mr. GRAHAM: My hon. friend, the Chief of the National Service Board—

Mr. PUGSLEY: What board is that?

Mr. GRAHAM: The late lamented National Service Board. My hon. friend (Mr. Bennett) has no right to lecture us on what is being done in connection with this war. We understand our responsibilities, and we are not going to be frightened from exercising our rights even by the imperious manner of the hon. member for Calgary. He says that we are all interested in the war. So we are, and for my part whatever is best for winning the war I am prepared to support. That is my way of thinking, but there is one thing that is not in the interest of this war, and that is the giving of lectures like the one to which we have just listened.

We should not boast of what we have done to win the war, for none of us has done too much, and none of us can do too much. I was particularly pained at a reference of the Minister of Railways to my hon. friend for Edmonton, for if there is a man in Canada who has done his duty in this war it is my hon. friend who sits to my left (Mr. Oliver). He is represented today by a living presence in the trenches, and he is also represented in a grave in France, and when he rises to discuss a question of this kind he does so because he feels it is in the interests of the people he represents. He has a perfect right to do so, and if sacrifice be the measure of that right he has the right to as full an extent as any man in Canada. We are not helping the cause by flinging these aspersions across the floor of the House about disloyalty. I take it for granted that the heart of the people of Canada beats true to the great cause in which we are engaged, and so long as we are actuated by that spirit let us talk like reasonable men, and not criticise each other as if disloyalty lurked in the breast of any one. The Canadian people are true to this great cause. However we may differ on other things, we stand united for the winning of the war, and we

will not rest until that purpose has been accomplished.

Now what is this question over which the Government and the sub-Government have lost their temper? It is as to whether the rails should have been taken up in one particular part of Canada and from one particular railway. No hon. gentleman has suggested for a moment, and I should be ashamed of him if he did, that we should not hasten to comply with the request of the British Government for rails that were necessary to the winning of the war. The question of bringing up the heavy artillery is one we do not understand so well as those who have been to the front, but we are told that it is of vital importance, and I am sure that the history of the war during the last few weeks must have convinced us beyond all cavil, that a great deal of our success depends upon the use of heavy artillery. We all want to do our share, but are we doing it in the right way? I am not going to criticise the Minister of Railways unfairly, but this fact does undoubtedly stand out: the people of Canada are suspicious, and with some cause, that this Government has never attempted to make a success of the Grand Trunk Pacific and the Transcontinental, and when the minister at first blush and without consultation, so far as we know, rushed to that system for the rails that were required, the people began to suspect that that was tantamount to saying the system was no good. My hon. friend from Calgary (Mr. Bennett) says that the rails were of little use because the road had carried practically no war supplies, and that is one thing I am going to charge against the Government when the proper time comes. Having a railway of our own to carry supplies, running through Canadian territory from the Pacific to the Atlantic. the Government refused to use the road for the transport of supplies for the front, but gave the traffic to the other lines. The hon member for Calgary has told me in advance that I am right in that regard.

Mr. R. B. BENNETT: I hope my hon. friend followed me. I said that the sections which were affected by the tearing up of these rails were not carrying supplies for the front or munitions of war. I think there are three passenger trains running.

Mr. GRAHAM: I admit one thing, that I am following my hon. friend. He again admits that this traffic in war supplies was given to other lines. When the Government were asked for rails, they went at once to the Transcontinental. Now if, as they intimate, that road was of little use before, they made it of still less use by taking up the sidings. I am not going to say that the Government did wrong; I want to be fair in my criticism, and I would criticise nothing that I thought made for efficiency in the winning of the war. But the long railway address of my hon. friend from Calgary as to the turnouts did not impress me. He says that the Transcontinental sidings did not have the number of turnouts to the mile that were necessary. My hon. friend is right as to the turnout itself, but you can take any rail and have a turnout to fit that rail. The moment the turnout is made, rails of any quality of steel or weight can be adjusted, the only change involved being at one joint.

Mr. R. B. BENNETT: They asked for these rails.

Mr. GRAHAM: My hon. friend's argument as to turnouts was therefore no argument at all, so far as railway construction is concerned. His next point was that the British Government asked for rails with the same boring. I am not going to quarrel with that statement. though as a humble citizen I might be allowed to say that the fact of the British Government asking for a particular thing is not absolute proof that it is the proper thing to do under the circumstances, because they have changed their mind on several matters. It is therefore not a sine qua non that it is always right to leave it to the British Government. Why did they ask for these rails? It was for one of two reasons: either they were easier of construction and could be laid more quickly and with greater safety under fire. Now, I have not heard any one say there is any great difference between the time consumed in laying the Grand Trunk Pacific rails and rails of another pattern. The borings and the fishplates are of a different style.

Mr. COCHRANE: The bolts are different.

Mr. GRAHAM: A different boring would include a different bolt, of course.

Mr. COCHRANE: By using these rails there was less liability of a mix-up.

Mr. GRAHAM: I know the two styles of rails pretty well and I have not been told by any one that there is any great difference in the time it takes to lay them. If General Stewart tells me that he can lay these rails more quickly and with greater safety under fire than rails of the other

kind, I will say at once that these rails ought to be sent, but I do not take any stock myself in that argument.

As to the paralleling of tracks, the hon. member for Calgary points out that the colliery is going to be looked after, and he chastised us severely for suggesting that we should look after the coal mine in preference to the war. My hon. friend shakes his head; somebody said that, and I think it was the minister. At all events the hon. member for Calgary admits that he looked after the coal mine first, and after that, he did the patriotic thing.

Mr. F. B. BENNETT: I do not know anything about the colliery except that I received a telegram from some one interested in it. I have no interest in it myself of any kind.

Mr. GRAHAM: I was not suggesting that my hon. friend was financially interested in it. But he first investigated as to whether this colliery of his friends would be injured or not, and, finding that it would not be injured—"All right, take up the rails." But here is the position: If the colliery on one side of the lake is to be looked after by taking up the Canadian Northern rails and placing them where the Grand Trunk Pacific rails are now, the colliery on the other side will be robbed of its transportation facilities. You cannot serve the two. I have been on that ground, and I know.

Mr. R. B. BENNETT: My information is that all the collieries will be looked after.

Mr. GRAHAM: Then it can only be by taking up the rails and laying them down again in the same place. I have been on that ground within a month and a half, and I say that if the rails are taken from the Grand Trunk Pacific on one side of the lake, and replaced by rails taken from the Canadian Northern on the other side of the lake, the collieries on the side now being served by the Canadian Northern will have no transportation facilities. You cannot have the rails and not have them at the same time. My hon. friend from Edmonton (Mr. Oliver) is interested——

Mr. COCHRANE: But I tell him that in a day or two I will have a map here—

Mr. GRAHAM: But you can't draw coal on a map.

Mr. COCHRANE: You can draw rails on a map.

Mr. GRAHAM: The question has been raised why these collieries should object, as they are not going to be injured. But the hon. member for Edmonton has telegram after telegram to the effect that they are going to be injured. It is his duty, then, to raise the question. He would be doing less than his duty if he did not urge the minister to the fullest extent of his power to see if it is not possible, without interfering with the efficiency of carrying on the war, to avoid impairing the industries of the western country, particularly those engaged in the production of coal.

And now, let me say this as my closing word: Let us discuss these questions with one single eye to the winning of the war—that is the first thing, of course. But when an hon. member on this side of the House, who has done what the hon. member for Edmonton has done, raises such a question as has been raised here to-day, it ill becomes any member to insinuate that he is impelled or inspired by any other than the highest

5 p.m. motives. We want to accomplish what is before us, but we shall never accomplish it if we distrust one another in the matter of loyalty. We have our own ideas, and to these ideas we hold strongly; but for Heaven's sake, in discussing these matters upon which we are supposed to be united, let us stop accusing one another, on trifling provocation, of not showing as much loyalty on one side of this House as on the other.

Motion negatived.

SUPPLY.

House in Committee of Supply, Mr. Blain in the Chair.

Civil Government—Department of Trade and Commerce, Salaries, $133,700.

Mr. PUGSLEY: Will the minister give us some information as to the Commissioner of Trade and Commerce whose salary is provided for in this Estimate. I do not know that any statement that has been made in the House as to this gentleman. Who is he, how long has he been in the service, and what are his duties?

Sir GEORGE FOSTER: First let me say with regard to this item that there is no increase in the number of officials; the increase in the amount asked for as compared with last year is due wholly to the regular statutory increases. It will be remembered that Mr. Richard Grigg, who was Commissioner of Trade and Commerce, died very

suddenly about a year and a half ago. His loss, of course was very much felt by the department. Under the confused conditions of trade and commerce I have not felt in a position to make a new appointment, and am not quite sure whether I shall fill the position with an officer performing exactly the same duties as Mr. Grigg performed. But there will be an appointment of a man of superior class who will take over perhaps more extended and slightly different duties, in view of the reconstruction period that is upon us.

Mr. TURRIFF: Does the minister think it tends to the smooth working of a department to put men under the deputy minister with higher salaries than that paid to the deputy, who is the operating head of the department? I know that this has been the practice in some cases under the late Government, as well as under their present successors, but it always seemed to me a mistake.

Sir GEORGE FOSTER: It does not seem to be fair that you should pin down the department, no matter what its possibilities or necessities were in the light of the service required, or that if you find a technical, or scientific, officer, some one who is required for a very special purpose, you shall be debarred from getting his services simply because you do not want to exceed the salary which is given for a deputy minister. If you took that position and made a hard and fast rule you would bar the possibility of securing the best service in certain particulars.

Mr. KNOWLES: I would like to make a proposition to the hon. Minister of Trade and Commerce. I will not exact an answer to-day, but I will make the proposition. I have a Bill before the House, No. 22, which affects the minister's department in connection with the indemnity to be granted to workmen who are injured while in the employ of the Government in terminal elevators in the West. The minister is familiar with that question. Unfortunately, labourers or employees of any kind, who are in the employ of the Government in the elevators at Moosejaw, Saskatoon, or other places, on being injured, have no claim under the Workmen's Compensation Act. Employees of His Majesty should not be in an inferior position to that of employees in any other elevator. This matter has already been the subject of discussion. I doubt if my Bill will be reached. We have allowed the minister's estimates to go through pretty easily, and perhaps he will tell us if he would take the matter into consideration so that we might have the Bill discussed this session.

Sir GEORGE FOSTER: I have not really seen my hon. friend's Bill yet. Has the Bill been printed?

Mr. KNOWLES: Yes.

Sir GEORGE FOSTER: I have not looked into it, but I will be very glad to do so and let my hon. friend know.

Mr. TURRIFF: Some time ago I asked the minister if it was his intention to introduce a Bill to amend the Manitoba Grain Act, and my hon. friend told me that he expected to. I have been waiting for the introduction of the Bill. I wish to propose some amendments to the Manitoba Grain Act. I would like to have an assurance from my hon. friend that he is going to bring in a Bill to amend the Act; otherwise, I shall have to bring in a Bill myself to amend it and I would rather not do that.

Sir GEORGE FOSTER: I am afraid that I cannot give my hon. friend (Mr. Turriff) any more definite information than I did before and that was that I did expect to bring in a Bill. I am having very closely canvassed now certain representations that have been made in reference to the amendment of the Act. I may say with reference to amendments that the number proposed has been legion but not very many have survived the investigation that has been put upon them and these are not at present being pressed, but there are some three or four that I have had called to my attention and which are now receiving the consideration of the Grain Board. As soon as I receive the report from them I will be able to indicate what the proposed amendments are, if any. If it is possible at all to do without amending the Act this year I should be very glad.

Mr. MURPHY: When my hon. friend was discussing the Estimates, did he state to the committee who had been appointed to succeed the late Mr. Grigg.

Sir GEORGE FOSTER: No appointment.

Ocean and River Service.—Maintenance and Repairs to Dominion Steamers and Ice Breakers, $1,180,000.

Hon. J. D. HAZEN (Minister of Marine and Fisheries): The appropriations for 1916-17 in this department were $6,355,998. The Estimates for the present year that I am submitting now are $4,894,792, there being a reduction of $1,461,206. The de-

creases and increases in the Department of Marine and Fisheries are as follows:

Service.	Increase.	Decrease.
Ocean and River Service..		$ 11,000
Public Works, chargeable to capital..		1,247,165
Lighthouse and coast service..		205,700
Marine Hospitals..		5,000
Scientific institutions—meteorological service.. ..	$7,080	
Steamboat inspection.. ..	579	
	$7,659	$1,468,867
Total decrease..		$1,461,206

Mr. PUGSLEY: These are the figures in the Estimates. Will the minister tell us what the figures are as compared with the actual expenditure?

Mr. HAZEN: These are the figures as compared with the total of the Estimates of last year.

Mr. PUGSLEY: How do they compare with the expenditure?

Mr. HAZEN: I think I had better explain that item by item. I will give the committee the exact expenditure last year in every case. The first item we have under consideration is

Maintenance and repairs to Dominion steamers and ice breakers, $1,180,000.

The amount asked is the same as last year. The expenditure in 1915-16 was $1,124,708.21 and in 1916-17 we kept the expenditure down to $962,048.48. We are asking for the same appropriation as last year, although I hope to be able to keep the expenditure below the appropriation by nearly $200,000.

Mr. PUGSLEY: Does the minister not think that he might set a good example by reducing the Estimates to the actual amount that he thinks he will spend?

Mr. HAZEN: The officials of the department, those who are at the head of the different branches and charged very largely with the responsibility, subject, of course, to the minister's responsibility, do not like the Estimates to be cut down to the last dollar. They think it is wiser to have something to come and go upon and that seems to have been the policy that has usually prevailed in this House in connection with the Estimates.

In connection with this vote, for instance, there may be some unforeseen occurrence with some of the steamers that might require a considerable expenditure which we do not anticipate at the present time, and then if we had not a sufficient vote we would have to get a Governor General's warrant. In addition to that, we know that this year we will have to pay higher prices for coal, oil, paints and things of that sort for use on the steamers, as the prices of all of these commodities have advanced.

Mr. SINCLAIR: Is any part of this expenditure chargeable to the war vote?

Mr. HAZEN: No. There is no expenditure under the Marine and Fisheries Department chargeable to that vote, although, of course, there is a large expenditure in the Department of the Naval Service which is chargeable to the war vote.

Mr. MARCIL: Have you the same number of icebreakers as you had three or four years ago?

Mr. HAZEN: The Earl Grey and the Minto, which were used in the service between Prince Edward Island and the mainland, have been disposed of to the Russian Government. Of course, we expect that by next winter the service formerly rendered by these steamers will be performed by the car ferry, as the piers on each side of the strait are nearing completion. Then that service will pass from the control of the Marine and Fisheries Department to that of the Department of Railways and Canals.

Mr. MARCIL: Then they have not been replaced?

Mr. HAZEN: They will not be replaced at present.

Mr. MARCIL: Were the results of the icebreaking operations on the St. Lawrence this year satisfactory?

Mr. HAZEN: They have been about the same as in other years, and I think the results have been fairly good. I do not know that there has been any flooding of low lands, and I think that the icebreaking has caused navigation to Montreal to open at an earlier date than it otherwise would have opened.

Ocean and river service, examiners of masters and mates $16,500.

Mr. HAZEN: This is the same amount as last year. The expenditure for 1915-16 was $13,857.63, and for the year ending 31st March last, $12,880. Of course it is likely that some accounts will have come in since that date which will be charged back to the year in which they were incurred, so that the amount will probably be about the

same as in the preceding year. The number of certificates granted was as follows: Seagoing certificates, 13 masters and 67 mates; coasting certificates, 115 masters and 35 mates; inland and minor waters, 131 masters and 67 mates.

Mr. PUGSLEY: What is the average salary paid?

Mr. HAZEN: Most of them are not large, and those who receive good salaries also discharge other duties. For instance, Captain Malcolm at Halifax gets $1,800. P. L. Lachance, at Quebec, gets the same amount. Alexander Cameron, at Charlottetown, gets $600. The gentleman at Vancouver gets $1,800. The others run from $200 to $600.

Mr. SINCLAIR: They have nothing to do with the teaching?

Mr. HAZEN: No, that is a different staff.

Ocean and river service, investigation into wrecks, $12,300.

Mr. HAZEN: That varies with the number of wrecks. The year before last, the cost was $12,241, and last year, $4,807. It will be rather gratifying to the House to know that last year, for the first time in 63 years, there was not a casualty between Quebec and Father Point. The wreck commissioner is Captain Demers, a permanent official of the department and a member of the Civil Service. We have also a wreck commissioner on the Pacific coast who receives $1,500. It was found that to have Captain Demers go to the Pacific coast every time there was a wreck there involved great loss of time and also a good deal of expense.

Mr. A. K. MACLEAN: I think that Captain Demers is a very satisfactory officer indeed, and, so far as I know, he discharges his duties fearlessly and impartially. The custom of having assessors in inquiries is a long and well-established one. I think, however, that the chief examiner, in this case, Mr. Demers, should have absolute and full authority to select his own assessors. In Halifax, where many inquiries take place, it has become the practice of members of political patronage committees to insist upon the appointment of the assessors.

Mr. HAZEN: They have no business to.

Mr. MACLEAN: I think that political patronage should be absolutely eliminated in matters of this kind. A better practice would be to allow the examiner to select his own assessor; no outside persons at

[Mr. Hazen.]

points where inquiries are instituted should be consulted as to assistants or asked to recommend them. I know of one or two instances where men who were not qualified were appointed assessors. I am glad that the minister does not approve of that practice; I hope that he will do everything in his power to prevent its recurrence. The investigation of wrecks is a very important matter. The responsibility of the chief commissioner is very great; the future of captains and officers of the ships involved in any disaster is at stake. The commissioner should have the assistance of strong, independent and impartial men; he, therefore, would be the better person to select his assessors.

Mr. HAZEN: I entirely concur in what my hon. friend has said. The wreck commissioner's court should be entirely free from any political interference. My attention was directed, within the last year or so, to the fact that in certain places suggestions were being made to the wreck commissioner that certain persons should be appointed. I at once gave instructions to my deputy that the wreck commissioner should exercise his own judgment in every case; that he should appoint men whom he thought qualified to act as assessors.

Mr. A. K. MACLEAN: That should be communicated to the wreck commissioner.

Mr. HAZEN: It has been communicated to him. When Mr. Demers is called, say, to some part of the Maritime Provinces to hold an inquiry, orders are issued, signed by myself, for the holding of the inquiry and for the appointment of assessors, the latter in blank. Mr. Demers, when he reaches the place of investigation, selects the best men he can find to act as assessors, and fills in the names on the order for the appointment of assessors. There is absolutely no interference with the authority of the wreck commissioner in regard to the matter.

Ocean and river service—Expenses of schools of navigation, $8,000.

Mr. SINCLAIR: Will the minister state what is being done in connection with the schools of navigation?

Mr. HAZEN: There is no change in the estimate from that of previous years. The amount spent last year up to March 31 under this head was $4,461, and in the previous year $4,067. The item is to cover all expenditures in connection with the de-

partment's free navigation schools for the fiscal year 1917-18. Free navigation schools are now in operation as follows: For the whole year, at Halifax, N.S., Captain John Simmons, instructor, $80 a month, and at St. John, N.B., Captain R. C. Cole, $75 a month. For the winter months only, at Quebec, P.Q., Captain P. L. Lachance, instructor, $600 per annum; North Sydney, N.S., Captain James Sutherland, $250 per season; Yarmouth, N.S., Captain J. E. Murphy, $250 per season; Charlottetown, P.E.I., Captain James Lumsdane, $75 a month; Collingwood, Ont., Captain George C. Coles, $250 a season; Kingston, Ont., Captain Steeves, paid by Queen's University; Vancouver, B.C. , Captain Charles Eddie, salary covered by yearly salary as examiner of masters and mates. We pay Queen's University $500 for the season. The university employs a competent professor, gives free instruction, provides class rooms, and pays all expenses. At Vancouver, Captain Charles Eddie receives no salary as instructor, his remuneration being covered by the yearly salary paid him as examiner of masters and mates. The school at Charlottetown is a new school, opened in December last. There was a very general demand for a school in Prince Edward Island, which has turned out a great many sailors.

Mr. A. K. MACLEAN: Was the school there a success?

Mr. HAZEN: Last year three certificates were granted to masters of coasting vessels, four to mates of coasting vessels, and one to a master of inland and minor waters. Not many certificates were granted, but, perhaps, better results will be obtained when the school has been longer in operation. If not, we shall have to consider the desirability of continuing the school. At the suggestion of the hon. member for Bonaventure (Mr. Marcil), a school of navigation was established at Baie des Chaleurs, and the work was attended with some degree of success. Unfortunately, however, the gentleman who had been conducting it went away and we could not get any one else in the community who had the necessary knowledge to continue the school.

Mr. MARCIL: Would the hon. gentleman continue it this year if an instructor to carry on the work were obtained?

Mr. HAZEN: If the results of the experiment justified it, certainly we should be prepared to continue the school.

Mr. CARROLL: The minister referred to the fact that in Vancouver one gentleman acts as examiner of mates and instructor in the school of navigation. I think that that would not be a good system to follow definitely.

Mr. HAZEN: The hon. gentleman is quite right. That is the only case of the kind. I do not think it is desirable that the practice should continue, and we are making arrangements to discontinue it.

Mr. SINCLAIR: I regret that the minister has not taken this matter up with a little more vigour. The matter of enabling our young men to secure navigation licenses not only in Halifax and Charlottetown, but in the towns on the coast of the Maritime Provinces, on the Great Lakes and on the Pacific, is a matter of considerable importance. The question of doing something in connection with the technical school at Halifax was brought to my hon. friend's attention on several occasions, but he does not seem to have made any progress in that regard. We have an excellent technical school in Halifax and we have branches in various parts of the province where men qualify themselves in the coal mining and steel industries. In the town in which I live a large number of young boys, many of them apprentices in the steel works, receive training at nights in the technical schools which are affiliated with the Provincial Technical School at Halifax. There is no reason why in the larger Maritime coast towns some system should not be established by which the young men should learn to build boats, handle and repair gasolene engines and obtain navigation licenses.

This question of technical education is, of course, a big one; but so far as the maritime industries of this country are concerned, I think it could be developed by my hon. friend without very much expense. It is absurd to think that we are spending in the whole of Canada only $4,000 a year in educating our young men for maritime service. The fact is that they have to pick up their education elsewhere as it is not provided by the Government, and even in the city of Halifax where there is a school of navigation, there are private enterprises receiving no assistance from the Government where men are training boys to pass marine examinations. The same thing is occurring in other places throughout the country, so that what we are doing is not effective, and I wish the minister would take the matter up in a

bigger way and, either in conjunction with the technical schools or otherwise, would give the young men in the towns along the coast an opportunity of receiving lessons in marine matters. That would be a great advantage to the country, because if we are going to build up a mercantile marine we must have sailors and officers. No later than to-day I received a letter from a gentleman in the province of Ontario stating that it was impossible for him to secure officers for an ocean-going ship. Officers are scarce; they are more difficult to secure now, I suppose, than they ever were before, so that we should be doing something in the way of training officers, and if the minister could think of any scheme whereby this opportunity would be given to young men of Canso, Shelburne, Liverpool, Lunenburg and other places that I might mention on the coast of the Maritime Provinces, it would be of great advantage to the young men of those localities and would enable them to get so far ahead with their studies that they could pass the examinations without going to Halifax or Charlottetown or any of those places to attend school. It is out of the question for a large number of those men who are not wealthy to go away from home in order to attend school at Halifax or any of those other places, and education of that kind should be brought to their doors by some method. That is the question with which I would like my hon. friend to deal.

Mr. HAZEN: In regard to what my hon. friend said in the first instance, I may say that at Halifax this work is going on in conjunction with the technical school. Mr. Simmons there is employed with the approval of the officers of the technical school, and the work is done in the technical college itself, so that we are in harmony with them and co-operating with them in regard to this matter.

My hon. friend says that there should be some general policy in regard to technical education. There is a certain constitutional difficulty in this country in regard to technical education. Education is, of course, assigned, under the British North America Act, to the provinces, and there is no doubt that there are certain provinces of Canada which are very jealous of their rights, and when communications were addressed to them on the subject by a previous Government, they gave their views with regard to the matter and were not prepared to say whether they would favour a Federal Government coming into the field of technical education. I think, however, that is a matter that should be disposed of, if possible, by mutual compromise, and I hope some day to see this country embarking on a large scale on a scheme of technical education, because I believe it would be of enormous advantage to the country from many standpoints, and I do not think any country can become great industrially unless it has a proper system of technical education. I think, however, a great deal of that work can be done by the provincial schools. The technical school at Halifax is a step forward in the right direction, and I understand there is at Toronto a school that is maintained by the city or municipality, and that is also a step forward. But the time will come when the question will have to be dealt with in a large way, and there will have to be a very large expenditure made in regard to it. I do not think it is desirable to have small technical schools scattered here and there throughout the country, but some broad policy will have to be adopted in the future. There has already been a good deal of discussion in this country in regard to this question, and a commission which was appointed has sent in a very interesting report. I refer to the commission of which Mr. James Robertson was the chairman. I have no doubt if conditions were normal, that report would have been considered and probably the question would have been dealt with, but at present, of course, it is not easy to consider such large expenditures as would be necessary in order to deal with the question in a broad manner.

Mr. SINCLAIR: Is the minister satisfied that nothing could be done through the technical school at Halifax?

Mr. HAZEN: The technical school at Halifax, from what I am told, is a very excellent institution, and perhaps something could be done; but it is a school, I understand, absolutely controlled by the provincial government, and as I have stated, under the British North America Act, the local Governments are charged with the duty of education. In this matter, we have co-operated with them just as we have done with Queen's University at Kingston where we have made a very excellent arrangement. As technical education is undoubtedly of great importance to the country, I have no doubt that when conditions become normal, the matter will have to be dealt with in a large way.

Mr. A. K. MACLEAN: Has the minister asked the directors of the technical college at Halifax to develop some public interest in this phase of education? I know it is a very difficult problem, and I am sorry to say it is too true that there appears to be a much lesser interest on the part of young men to secure certificates of competency than there was twenty-five or thirty years ago. The mariners who occupy the high positions do not seem to be as well qualified as were the men of many years past, and that is rather strange, because there is a large demand for men and splendid positions are open for those who will qualify. I do not pretend to be able to give to the minister the solution of the problem. I know in my own province there should be hundreds of men willing to qualify for marine service, but the truth is that very few have any desire to do so. My hon. friend from Guysborough (Mr. Sinclair) has been for a long time developing the theory of establishing a number of small schools, thinking numbers might be induced in that way to qualify. I have always expressed a doubt; I think in a province like Nova Scotia, if there was one big school, then notwithstanding the expense you would probably have a very large attendance, and the association of seafaring men with one another in numbers is an incentive to proficiency and efficiency. I admit, however, there is a great deal in the position taken by the hon. member for Guysborough. This is an important matter and the minister need not be alarmed at interfering because education is a provincial matter. After all, this is more a Dominion matter than a provincial one. It relates to trade and commerce. I do not think a marine education would come under the heading of education in the British North America Act. If the minister would entrust the Director of the Technical College at Halifax with the responsibility of starting and carrying on a propaganda in the Maritime Provinces for the purpose of encouraging young men to qualify for the marine service, I think he would be more likely to achieve success than by any other means. I think the Technical College at Halifax is the most efficient in the Dominion. I know that Mr. Sexton, the director, is a highly skilled and efficient man, and very greatly interested in his work. I am sure he would carry out the work zealously and intelligently, and I think he might achieve some success.

Mr. SINCLAIR: I do not want the minister to think we are talking merely for a pastime, because we are really very much in earnest. I think this work could be done without much expense. The same work is being done successfully and with very little expense in connection with the coal mining industry. There are local schools in all the mining towns in Nova Scotia where young men can attend in the evening and qualify for positions of foremen, etc. By arrangement with the local authorities, the high schools are used for the purpose. No rental is paid, and I believe that a great many of the men who are teaching the scientific branches of the steel and coal industry are giving their services free. This form of education would be of immense advantage to the people in the larger towns in the province of Nova Scotia, and I hope the minister will get the Director of the Technical College at Halifax to work out a scheme in co-operation with the high schools of the province. That would be a first step. If the scheme were not satisfactory the minister could turn it down, but I think Mr. Sexton will be able to devise some scheme which could be worked at least along the coast of Nova Scotia. Will the minister do this?

Mr. HAZEN: I will give every consideration to what my hon. friend says.

Removal of obstructions in navigable waters, $20,000.

Mr. A. K. MACLEAN: How much is being spend on this item?

Mr. HAZEN: Our expenditure for the year ending March 31 last was $1,870. We have to have this item in the Estimates, because a large steamer might get wrecked at any time in an important channel, and the owners might be unable to remove it; in that case the department would remove it, and make the owners pay afterwards.

Inspection of live stock shipments, $5,000.

Mr. NESBITT: Will the minister explain this item?

Mr. HAZEN: Our department is responsible for seeing that proper accommodation is provided on board ship for live animals. At one time we had inspectors at different ports throughout the country, but there has been such a small shipment of livestock of late years that these inspectors have been withdrawn, and the vote is accordingly very much decreased. Our expenditure last year was $2,401, and this was mostly spent at

Montreal in connection with the shipment of horses.

Mr. NESBITT: Was that amount paid to inspectors?

Mr. HAZEN: Part of it. Mr. Delorme, inspector at Montreal, receives an annual salary of $1,200; $300 was spent for office rent, and there were miscellaneous expenses. Mr. Delorme sees that proper accommodation is provided.

Mr. A. K. MACLEAN: What about the port of St. John?

Mr. HAZEN: There is practically no live-stock shipped from St. John.

Mr. A. K. MACLEAN: Lots of horses have been shipped from there.

Mr. HAZEN: They were for war purposes and were looked after by Captain Lindsay, a paid official loaned to the Militia Department by the Marine Department. Captain Lindsay is superintendent of pilots on the St. Lawrence river.

Mr. NESBITT: He does not come in your estimates?

Mr. HAZEN: No.

Mr. SINCLAIR: Has the cattle trade died out altogether?

Mr. HAZEN: This matter was taken up when we were in England with Mr. Prothero, the head of the Agricultural Department. Only a few days ago he stated in the House of Commons that there is no justification for excluding Canadian live cattle on the ground of disease.

Mr. NESBITT: That refers to stockers. A great many cattle are shipped over there to be slaughtered on arrival.

Mr. HAZEN: Yes. Formerly, cattle used to be sent over and fattened in England. That was stopped by the Department of Agriculture, on the ground that there was disease among Canadian cattle. It has been proved time and again that there was no disease among Canadian cattle, that there was less disease among Canadian herds than among British herds. Mr. Prothero told us that there was no justification whatever for excluding Canadian cattle on the ground of disease.

Mr. NESBITT: The statement he made in the House of Commons a few days ago was published in the press.

Mr. HAZEN: Yes. There is no doubt that the exclusion of Canadian cattle was largely a measure of protection for the stock raisers and breeders of Great Britain.

Mr. NESBITT: Mr. Prothero practically admits that.

Mr. HAZEN: Whether they will exclude our cattle as a measure of protection for their own stock raisers I do not know, but the stigma on our herds has been entirely removed, and I presume it will be followed by the removal of the embargo.

Mr. NESBITT: I take it for granted that not many cattle are shipped, as the law calls for them to be slaughtered on landing.

Mr. HAZEN: Very few in the last year, I think.

Mr. A. K. MACLEAN: I think this is a very proper expenditure for the Department of Agriculture, but it is so small as to make one fear that the inspection is a very careless one.

Mr. HAZEN: Oh, no.

Mr. A. K. MACLEAN: There should be a very rigid inspection in a matter of this kind.

Mr. HAZEN: The inspector goes very carefully through the boat, inspects the conditions provided for the animals, what arrangements are made for a proper supply of water, and so on.

Mr. A. K. MACLEAN: Is there any control over him, or is it the case of a man who simply draws a salary, with nobody in the Government service to know or care whether he performs his duties or not?

Mr. HAZEN: He always reports to the department.

Mr. A. K. MACLEAN: What does the department do to satisfy itself that his inspection is a proper one?

Mr. HAZEN: I think the inspection at Montreal must be very strict, for we have had complaints from the steamship company that this man is too exacting.

Mr. A. K. MACLEAN: I am glad to hear that.

Mr. McKENZIE: At the port of North Sydney a good many cattle are shipped that come by the Intercolonial. I suppose the inspector at Montreal would have nothing to do with these shipments. What care is taken by the Government that these animals shall be properly looked after pending their shipment on the steamer? Sometimes

these cattle come in the latter part of March or April when the weather is still very cold. They are taken from the cars, but may have to wait a day or two before being put on shipboard. I know that people interested in the protection of dumb animals are much concerned to see that these cattle are not neglected. I presume that the accommodation on the boat is all right, but means to care for the cattle before they are put aboard the boat should be provided.

Mr. HAZEN: My attention has never been called to this matter before. This certainly would not be the duty of the inspector at Montreal, for his duty and that of the other inspectors is to see to it that there is proper accommodation for the cattle aboard the ships. I do not know who would be responsible in the case to which the hon. gentleman refers, but I will make inquiry.

Mr. A. K. MACLEAN: The Railway Act provides for that, I think.

Mr. HAZEN: I believe it does.

Mr. McKENZIE: The inspector who was at North Sydney has gone to the war, and I am not aware that any officer has been appointed to replace him. Up to the time of his leaving, and for many years, inspection was carried on at North Sydney.

Mr. HAZEN: The inspector referred to was not an officer of my department. If a veterinary, he may have been an officer of the Department of Agriculture.

At six o'clock the committee took recess.

After Recess.

Committee resumed at eight o'clock, Mr. Blain in the Chair.

Customs—Salaries and contingent expenses of the several ports in the Dominion, including pay for overtime of officers, notwithstanding anything in the Civil Service Act, and temporary Customs buildings and rentals, $3,590,000.

Mr. GRAHAM: I wish the minister would explain about this overwork and driving through the Civil Service Act. Of course, we know that the hon. Minister of Customs (Mr. Reid) thinks little of the Civil Service Act; but, as he has practically unrestricted sway on the outside where he has thousands in the employ of the Customs who are not under the Civil Service Act, could he not give an approximate compliance with the Act as regards the remnant in the inside service? Ordinary departments, such as that of the Minister of Railways and Canals, have practically nobody in the outside service, except the employees of the Intercolonial railway which is managed as a railway and not strictly as part of the Civil Service. As all hon. members know who want to place those who cannot pass the Civil Service examination, and to find niches for friends, the minister has had a chance to appoint thousands to the outside service without reference to the Civil Service Act, which he has a right to do, but having this advantage over his colleagues who are not able to do it, has he any excuse for violating the Act with reference to the inside service? What does this mean?

Hon. J. D. REID (Minister of Customs): This is not the inside service.

Mr. GRAHAM: It says, "notwithstanding anything in the Civil Service Act."

Mr. REID: As I understand the application of the Civil Service Act to employees of the Customs Department in the outside service——

Mr. GRAHAM: It is not like the inside service.

Mr. REID: It is in this way: the Civil Service Act was passed by Parliament many years ago for the outside service, and it placed the outside customs officers under that Act. The employees in Brockville or Prescott are what we call outside employees. Under the Civil Service Act; if the law had been lived up to, you could not have appointed a man to a position in either of these towns unless he had passed the Civil Service examination.

Mr. GRAHAM: He might be a temporary landing waiter or something of that kind.

Mr. REID: I was going on to explain how it was done. Employees in the office are supposed to be called clerks and they have to pass an examination. The employees at the wharves or stations are called landing waiters, and they had to pass the Civil Service examination to be employed as landing waiters. That was carried on for a number of years. By the Customs Act the positions of collector of customs and preventive officer are excepted. Preventive officers were exempt, for the reason that they were employees supposed to do other work than that of clerks or landing waiters. Our secret service is under the preventive service. You might have to employ some special man and so on. Then the Civil Service Act limited you so that you could

not employ a person over 35 years of age. You can appoint a preventive officer at any salary and any age; he is exempt. It is the same as it is under the Inland Revenue Act; certain officers there are excepted, although they are all under the Civil Service Act. I do not know whether the law was violated previous to 1896.

Mr. GRAHAM: Previous to 1896—yes.

Mr. REID: However, it does not make any difference as far as that is concerned. When there is a vacancy in the outside service—in many cases, not always—the recommendation is simply that so-and-so be appointed, and he has been appointed as a preventive officer and in many instances we have required an examination. Since I have been administering the Customs Department, the line I have taken is this—

Mr. GRAHAM: A kind of crooked line—not straight.

Mr. REID: It is a straighter line than had been followed for some time previously. I have been living as near as possible to the Civil Service Act with reference to examination in the outside service. Previous to the war I tried in almost all cases to get young men. Then, I always had an examination made by the collector or by our inspector to see if, in the opinion of the inspector or the collector, the applicant was qualified. The doctor's certificate, of course, was necessary under the Civil Service Act. That has helped us to get men who were really qualified for the positions.

Mr. SINCLAIR: What about the patronage committee?

Mr. REID: In my county I am the patronage committee. That has been the policy I have followed and if any man passes the Civil Service examination he is promoted and given the position of clerk where the salary is higher than for a preventive officer. I think that answers my hon. friend's question.

Mr. MARCILE: While the minister seems to be in good humour, I would like to ask him if the time has not arrived to remedy an injustice done after the general election of 1911 on the recommendation of Mr. Tancrede Marsil of Montreal, who was my opponent in that election?

Mr. GRAHAM: Did the Minister of Customs accept his recommendation?

Mr. MARCILE: Yes.

[Mr. Reid.]

Mr. GRAHAM: It is worse than I thought.

Mr. MARCILE: He dismissed a man named H. Hamel from the position of assistant appraiser. Mr. Hamel had a salary of $1,300. He had been named a preventive officer at a salary of $1,000 a year, and a year or two afterwards he was given an increase of $200, and he remained in the same position as assistant appraiser, doing the same work as he had done before 1911, and he is doing to-day the same work as he had done for years and years. He is a good officer, he has passed the Civil Service and promotion examinations and I am sure that the Minister of Customs will be just enough to remedy the injustice that he did on the recommendation of Mr. Tancrede Marsil after the general election of 1911, now that Mr. Tancrede Marsil has returned to the old Liberal party with which he pretended to be associated, and now that he has finished with the Nationalists. I hope the minister will remember the recommendation I made to him a few years ago, will recognize that the service of Mr. Hamel is of value to the department, and will give him the position he had before.

Mr. REID: While at the moment I do not remember the circumstances of this case, I shall look up the case and if there has been any injustice it will certainly be remedied.

Mr. MARCILE: The reason for the minister's action was that after the general election in 1911 Mr. Tancrede Marsil convinced the minister that Mr. Hamel had canvassed some electors in Montreal to vote for me in Bagot. I had no electors in Montreal in 1911, and I can prove that statement at any time; the allegation was an absolute untruth. But Mr. Hamel was my brother-in-law and Mr. Tancrede Marsil recommended his dismissal as assistant appraiser apparently for that reason. But as they needed Mr. Hamel in the department in Montreal, they made him preventive officer, and he is still in that position with the same salary.

Mr. REID: Was he dismissed?

Mr. MARCILE: As assistant appraiser.

Mr. REID: He is still in the service of the Customs Department?

Mr. MARCILE: He was dismissed as assistant appraiser and nominated as preventive officer, but he was reduced from $1,300 to $1,000.

Mr. REID: There is a Hector Hamel drawing $1,200.

Mr. MARCILE: Yes, he was given an increase of $200 about two years ago, after I had represented to the minister the injustice that had been done him.

Mr. REID: I now remember my hon. friend speaking to me, but I thought that we had at least partially remedied the grievance of which he complained. The change from the position of assistant appraiser to that of preventive officer does not necessarily mean that the official has been degraded. However, if my hon. friend is not satisfied, I shall look into the matter again, and if any injustice has been done to Mr. Hamel I shall be glad to remedy it.

Mr. MARCILE: That is all I recommend.

Mr. GRAHAM: Will the minister say he will not be prejudiced by any recommendation Mr. Tancrede Marsil may make?

Mr. REID: I do not remember him making any.

Mr. GRAHAM: He was the defeated Conservative candidate, and so he would have the patronage in Montreal.

Mr. ROGERS: As he has returned to the Liberal fold, as my hon. friend has said, of course we have no choice in the matter.

Mr, MARCILE: The so-called Liberal.

Mr. GRAHAM: My hon. friend is trying to return him, but he is not deceived.

Mr. SINCLAIR: The preventive officer at Boyleston, in Nova Scotia, Mr. Arthur Steele, was dismissed, I think, last year. It was very convenient for people in that district to be able to register their ships without having to travel five or six miles to Guysborough to enter their vessels. Is it the intention to appoint another officer at that port?

Mr. REID: Since the commencement of the war I have been reducing the staff as much as possible, and where vacancies have occurred I have not filled them unless it was absolutely necessary. The money thus saved I have used to increase the salaries of customs officials in ports where the work of the department has been increased owing to the war. The cost of living has become so high that the salaries paid seem very small. Then it must be remembered that in many ports where there was some shipping before the war there is now little or none, owing to the scarcity of tonnage.

Mr. SINCLAIR: I am not urging an appointment; I am simply asking for information as to the minister's intention.

Mr. REID: I am not making appointments where I can avoid it.

Mr. SINCLAIR: I am glad to know that the minister is taking an economical view of these appointments, because, so far as I can learn, he has been very extravagant in this respect, possibly the greatest sinner among the ministers. From the public accounts he will find that in 1910-11 the expenditure of the Customs Department amounted to $2,187,174. During the last fiscal year, ended March 31, the expenditure in the same department was $3,685,399, an increase from 1910-11 of $1,498,225, or, roughly speaking, a million and a half of dollars. I do not think there is any justification for this enormous increase, which arises very largely, as I believe, from a reckless increase in the number of the staff. My hon. friend attempted to justify this last year and the year before, but I do not think that he succeeded. While there is no special increase this year, I should like the minister to explain the enormous increase, amounting to $1,500,000, in the cost of the administration of his department since he took office.

Mr. REID: In the year 1910 the customs revenue was $87,596,426, and the cost of collection was 2.79 per cent. In the last fiscal year the revenue was $147,000,000, and the cost of collection was 2.64 per cent. Last year we had to increase our staff very materially on account of war conditions. In addition to that, over 200 men who enlisted prior to November, 1915, are being paid their salaries by the Customs Department.

Mr. NESBITT: In the case of those whose salaries as Customs officials exceed their military pay, do you charge only the difference against the department, or is it the custom to show the whole pay in the departmental returns?

Mr. REID: We charge the difference against the department. Of course, in the case of those enlisted before November, 1915, the whole pay is charged to the Customs Department. Many of our men who have gone to the front were receiving quite large salaries in the Customs Department—probably more than they receive in the militia. One splendid man, our chief accountant, Major Rorke, who has been in the department a great many years, enlisted at the commencement of

the war and is receiving his full pay as a customs official as well as his military pay.

Mr. SINCLAIR: I do not agree with the principle laid down by the minister that because of an increase in the revenue there should be a corresponding increase in the official staff. Unless new offices were established in various parts of the country, the fact that a larger business had been done would not justify my hon. friend in increasing the staff to such a large extent. The Minister of Finance handled a billion dollars of gold last year, but, as far as I know, he did not increase his staff. But I do not think the Minister of Customs has opened many new offices; I rather think that he is overcrowding the offices in the cities and small towns. Soon after he took charge of the department he dismissed a young man in my town for the reason that there was not enough for him to do, and shortly afterwards he appointed two stalwart men, friends of his own party, to fill the place formerly occupied by the man who had had nothing to do. Many instances of the kind could be cited in respect of other parts of Canada as well. I attribute a large part of the increase to things of that kind.

Mr. REID: At some of the large ports, especially on the coast, we had to increase the staff after the commencement of war. Moreover, our staff was increased through the employment of secret service men in connection with the war. I have already said that 232 men who enlisted prior to November, 1915, are receiving their full salaries. These men have had to be replaced, because they have come from offices from which they could not very well be spared. The hon. member refers to a case in North Sydney.

Mr. SINCLAIR: I was referring to New Glasgow.

Mr. REID: I do not remember that case, but I do know that I have not put on a man at any port unless I was very strongly urged to do so by the chief inspector, the inspector, or the collector. In every case I have tried to keep the number of men employed at the different ports down as low as possible, having due regard to the interests of the service. I do not think that the hon. gentleman can point to one case where I have put on a man whose services were not absolutely necessary, and any hon. gentleman who has had anything to do with the Customs Department will bear me out in that. I do not admit that at any port in the Dominion we have put on more men than are required.

Mr. NESBITT: I do not wish to take up the minister's time unnecessarily, but I would like to understand a little more clearly the position of men who have joined the army and that of men who have not done so. As I understand it, up to a certain time—and the minister did not mention the time—all men who enlisted were paid not only their salaries from the Customs Department, but their salaries from the Militia Department. The money that was paid by the Militia Department does not appear as salary in the Estimates of my hon. friend, but the money that was paid by his department to the men who have enlisted does so appear. My hon. friend paid the full salaries down to a certain period, and I would like to know what that period was. After that period, he paid the difference between the militia salary and the salary received from the Customs Department, if there was a difference in the favour of the man who enlisted, and he charged to his own department that difference, but the money paid by the Militia Department is charged up in the War Appropriations. Do I understand my hon. friend correctly?

Mr. REID: Yes, I think my hon. friend is right. I will explain the matter again and perhaps make it a little clearer. Shortly after war was declared, an Order in Council was passed by which we agreed to pay the full salary of any official, not necessarily of the Customs Department but of any department of the Government, who went overseas, in addition to his military pay. Suppose an official at Woodstock or any other port enlisted for overseas service, his name is kept on the paylist and the Customs Department continues to pay his salary just as though he were here.

Mr. NESBITT: Up to what date?

Mr. REID: We are continuing to pay it. I am discussing the position of the man who enlisted between August 4, 1914, when war was declared, and November 30, 1915, a period of over a year and three months. That man's pay goes on just as though he were working in the Customs Department. Of course, such men gave instructions that their cheques were to be handed over to some relative, and that was done. Two hundred and thirty-two men have enlisted in that way.

Mr. SINCLAIR: Have you appointed others in their places?

Mr. REID: In many cases we have done so. Many men enlisted from large cities, such as Montreal, Toronto, or Hamilton, where we had to have others to fill their places, but in other places we did not require to replace men who enlisted. Some time in November, 1915, an Order in Council was passed that men who enlisted after November 30, 1915, would be sure of their departmental salary. For instance, if an official employed in the Customs Department were receiving a certain salary and he enlisted in the militia as a private or a lieutenant, and the amount the Militia Department paid him for his services in the militia did not amount to the salary he was receiving in the Customs Department, then we would supplement the militia salary by an amount that would make his total salary the same as though he had remained in the customs service, and that difference that we pay we charge up to the port in which that man was employed when he went overseas.

Mr. NESBITT: That would appear in your Estimates?

Mr. REID: It appears in our Estimates as an expenditure under the Customs Department.

Mr. NESBITT: Will the minister give us the gross amount of that expenditure?

Mr. REID: I have not that this evening, and I cannot say what that amount is.

Mr. SINCLAIR: If the argument is to be used as an explanation of the large increase in the expenses of the department we would like to know how much that amounts to, and what expenditure has been incurred under that head. Perhaps the minister will bring us that when his estimates are up again.

Mr. REID: I shall be very glad to bring that information for the hon. member.

Mr. NESBITT: When those men who have enlisted come back and return to work, do their salaries from both the Militia Department and the Customs Department still continue?

Mr. REID: No. What happens is this: If an official of the Customs Department returns to Canada he will probably be invalided home. We have had some cases where men who have been wounded at the front have returned, and when they come back here they may go to the hospital and it may take them two or three months or more to regain their health to such an extent that they can resume their work. The Militia Department then give them their discharge, and they take up their positions again in the department and are paid only the one salary, the customs salary. Some of the men who return have been wounded and they may receive pensions.

Mr. NESBITT: What is the position if they are not wounded, but simply come home on furlough?

Mr. REID: I have not come across any cases of that nature. I know one case of a young man who was wounded who came home, and probably there are more cases like that. This young man was wounded in the leg and he received three months' furlough. He is at present at his home at London, but his salary is being paid just the same. He is returning to the front; in fact, I think he sails on Thursday. In a case of that kind, of course, we would pay the salary.

Mr. BUCHANAN: I wish to discuss with the minister the removal of Mr. F. D. Shaw from the position of Collector of Customs at Lethbridge on the ground of insubordination. I have not been able to get the papers produced in connection with the case, but I have some of the correspondence here, and it strikes me that the reasons for removing Mr. Shaw are not based on a very good foundation. Mr. Shaw had been in the customs service for over twenty years, and in August last he was removed from his position at Lethbridge on the ground of insubordination; that, without the sanction of the department at Ottawa he had placed a man in a position in the Lethbridge office. It is true that Mr. Shaw did place a man in a position in the Lethbridge office without the sanction of the department, but he did so on the recommendation of Mr. W. S. Ball, the gentleman who is in charge of the patronage in the constituency of Medicine Hat. This is the letter that Mr. Shaw addressed to the Commissioner of Customs in regard to the matter:

Lethbridge, Alta., 28 Aug., 1916.

Commissioner of Customs,
Ottawa, Ont.

Sir,—

The following was handed me on the 26th inst. by Mr. Victor McGuire:

"I wish to recommend Victor McGuire to fill the place recently vacated by F. G. Waddington.

(Sgd.) W. S. Ball."

Mr. McGuire reported here on the 26th inst., and I asked him to call Monday, which he did, and I have taken him on the staff of this office temporarily, subject to your approval. My action in doing so was that he might be posted in some of the port work as Officer Burnett will be applying for his leave shortly.

I called on Mr. Ball this a.m., but found him out of town and could get no further information, but his partner said Mr. Ball had probably received word to appoint Mr. McGuire.

Mr. Shaw appointed this man solely on the recommendation of the gentlemen in charge of the patronage, and he has been removed from office on the ground that he had no right to make this appointment. As soon as Mr. Shaw had been removed, Mr. Ball, the Conservative candidate, who had charge of the patronage, wired the department assuming full responsibility for the appointment of McGuire. This is his telegram to the Commissioner of Customs, Ottawa:

Sir,—

On August 26th, in reply to your letter asking me to recommend a man in Waddington's place, I wrote you recommending V. McGuire, and also wrote Mr. Shaw to same effect. I take full responsibility for this action and wish Mr. Shaw reinstated at once. There are no returned soldiers to fill Waddington's position.

(Sgnd.) W. S. Ball.

I understand that one of the reasons given by the department for removing Mr. Shaw was that they felt that any vacancies should be filled by returned soldiers. But there were no returned soldiers there at that time, and Mr. Shaw, acting on the advice of the gentleman in charge of the patronage, placed Mr. McGuire in the position. He advised the department that he had done so, and later on was notified that he had been removed on account of insubordination. As I have said, Mr. Ball immediately notified the department that he was wholly responsible, having asked Mr. Shaw to appoint McGuire temporarily, pending ratification from Ottawa. Those are the circumstances, and still Mr. Shaw is out of his position, and, so far as I know, there is no possibility of his being reinstated. It may have been a rule of the department that no person should be taken on the staff without sanction from the department at Ottawa. I understand, however, that there have been cases previously where the patronage committee had recommended certain appointments, and the men had been taken on, and the department at Ottawa subsequently ratified the appointments. Mr. Shaw was in this position: he had to please either the local patronage committee or the department at Ottawa, and from the experience all other officials in Lethbridge had had with the patronage committee, I am quite certain Mr. Shaw was anxious to please the patronage committee. Mr. Shaw was appointed, I believe, by the Government of the late Sir John A. Macdonald, and he had been in the Customs Department of Alberta from that time until last fall. In view of his long experience, and of the circumstances I have presented, I think it is only fair that he should at least be granted an investigation into the charges made against him, and I am sure that any impartial investigator with the facts before him that I have here, would not recommend his removal from office. Mr. Shaw had the reputation of being one of the best customs officers in the southern part of Alberta. He had been in the service for years, and had given satisfaction to the business community. But the department, without any regard to these circumstances, removed him from his position, and have not given him an opportunity of presenting his case before any impartial investigator. I am sure Mr. Shaw would be quite satisfied with an investigation into this particular case. From the evidence I have here, and from the conversations I have had with Mr. Shaw, I am sure that he could establish that he was not at fault, and was simply acting on the request of the gentleman in charge of the patronage in the city of Lethbridge.

I understand that it has been charged that Mr. Shaw took similar action in a number of other instances, but he assures me that no complaint had ever been made against any appointments he had made on recommendations of this kind, and that in no time during his service in the Customs Department had any complaint been made against him as a customs officer. Mr. Ball assumes full responsibility for having recommended McGuire, and naturally Mr. Shaw wanted to satisfy the gentleman in charge of the patronage. He followed the usual course of advising the department that he was taking this man on, and following that he was removed from office.

Mr. REID: Before I answer the hon. member, I might say to my hon. friend from Guysborough that the collections for New Glasgow in the fiscal year ending 1912 were $135,558, and the number of officers in that year was four. During the last fiscal year the collections amounted to $800,878, and the number of officers was six. On account of the Russian orders and so forth we had to put on extra men.

Mr. SINCLAIR: What were the figures at the time these additions to the staff were made?

Mr. REID: I can get that for my hon. friend. As regards Mr. Shaw, he was appointed by the Conservative party, so there can be no question of a dismissal for political reasons.

Mr. GRAHAM: Unless a younger and more up to date fellow wanted his job.

Mr. REID: The vacancy occurred some months ago, and I decided to follow our usual policy of appointing a returned soldier to the position. I am still holding the position open in the hope of getting a returned soldier to fill it; I think no one will object to that. The hon. member states that Mr. Shaw has been a satisfactory official, but I may say that Mr. Shaw did not give satisfaction to this department. I have had many complaints against him during the time I have been administering the department.

Mr. BUCHANAN: Has any complaint been made that he did not give satisfaction as an officer?

Mr. REID: Yes, parties have given me that information.

Mr. BUCHANAN: That was not the reason given for his removal.

Mr. REID: This was not the first time that Mr. Shaw had appointed any one he liked. If I remember rightly, my predecessor, through the Commissioner of Customs, reprimanded Mr. Shaw for appointing an official just as he did in this case, I think that a month or two before we did suspend him. He did not then carry out the instructions of the chief inspector. I understand from my officials that Mr. Shaw seemed to wish to run the port of Lethbridge irrespective of the department. Of course, you cannot run a department that way. So, Mr. Shaw was suspended. If I remember rightly, he wrote to the department, or to myself, a very insulting letter, at a time when I was considering the taking up of his case again.

Mr. BUCHANAN: Was not that letter written by a lawyer in Lethbridge?

Mr. REID: It may be that a lawyer wrote it for him, but I remember receiving a very insulting letter. Mr. Shaw certainly was deserving of suspension for the position he took after he was suspended. His dismissal was not for the purpose of putting some friend of the party into his position, but because the officials of the Government thought he deserved dismissal. I have not accepted the recommendation of any one for appointment to that office, but am keeping it open, as I am keeping other offices open, including some in my own county, for returned soldiers.

Mr. BUCHANAN: Did the minister take into consideration the wire that came from the gentleman handling the patronage, to the effect that he took full responsibility for the appointment of this gentleman to the staff?

Mr. REID: The hon. gentleman (Mr. Buchanan) knows that only the commissioner or the minister would have authority to say whether an official was required or not. I have always refused to take on an officer on the recommendation of any one without first having him examined to make sure that he is qualified for the position.

Mr. BUCHANAN: Had not the other course been permitted in the office of the port of Lethbridge?

Mr. REID: Not so far as I am aware. The position I have taken ever since I began administering the department is that there must be an examination by the inspector or, if deemed better under special circumstances, by some other high official, such as the Collector, before an appointment is made. If a man is appointed without an examination, he may prove to be not qualified for the office, and then there is difficulty in dispensing with his services. So far as my memory goes, we have never appointed an officer at Lethbridge without an examination. There may have been exceptions, but I do not recollect any.

Mr. BUCHANAN: I am pretty intimately acquainted with the business community in Lethbridge, and I never heard any complaints against Mr. Shaw as an officer, but since his removal I have heard many expressions of dissatisfaction with the Government's action in his case. The minister speaks of an insulting letter he received, written on behalf of Mr. Shaw. I think I can explain that without mentioning the name of the writer. There is in Lethbridge a very warm admirer of the Prime Minister (Sir Robert Borden), an old acquaintance of his from Nova Scotia, and when Mr. Shaw was removed this gentleman was so indignant that he wrote not only to the

9 p.m.

Prime Minister but also to the department. He did not write as a lawyer representing Mr. Shaw, but as an indignant Conservative of Lethbridge, and he is so indignant that I doubt very much whether this Government will receive his support in the next general election. That is where the "insulting letter" came from. And the writer of that letter is not alone; there is great dissatisfaction amongst many leading supporters of the Government over the removal of Mr. Shaw. If there was any complaint in the business community of Lethbridge against the conduct of Mr. Shaw in office, I never heard of it. I have heard of a very powerful concern operating in Southern Alberta objecting to his actions, and they probably have made complaint, but I understand that those complaints are not to his discredit, for he was simply carrying out the regulations of the department. As to his removal, Mr. Shaw's position is simply this: They have in Lethbridge a patronage committee, and unquestionably he was afraid of that committee and was trying to do all he could to satisfy it. When he took this gentleman on the staff, on the recommendation of the patronage committee, I think he felt warranted in doing so; in fact he felt that should he fail to carry out their instructions they would use their influence at Ottawa to have him removed. And now the department dismisses him for that action. I venture to say that in any ordinary business concern a man who had acted as Mr. Shaw had acted, under the conditions that faced him, would be reinstated. I do not think the removal was fair. Mr. Shaw was entitled to an investigation, and, had his case been investigated by an impartial investigator, I am confident recommendation would have been made for his reinstatement.

Mr. GRAHAM: The minister has told us that he is keeping a number of offices for returned soldiers. In the town of Brockville he has made an appointment of one returned soldier, which appointment meets the approval of every person.

Mr. REID: I have appointed three.

Mr. GRAHAM: There is one that I remember. Can the minister tell us how many returned soldiers he has appointed, what is their status, and what is the aggregate of their salaries?

Mr. REID: I could not give the aggregate of their salaries, but up to the end of April 203 appointments of returned soldiers had been made, at salaries averaging $900 to $1,000 a year. And others are being appointed.

Mr. GRAHAM: There is one office, I have been told, which is being kept for a returned soldier—the collectorship of the port of Montreal. It seems to be a question whether the port of Montreal collectorship or the port of Toronto collectorship is vacant, for, on the resignation of Mr. White in Montreal, Mr. Bertram, of Toronto, was sent to Montreal. In my personal communication with people of Montreal, while they have no fault to find with Mr. Bertram as an official, yet they cannot understand why it is necessary to take an official from Toronto to succeed an official in Montreal. They have been told that Mr. Bertram is to return to Toronto, but there is nothing definite as to time or occasion. The situation is a very peculiar one, and if there is a precedent for it I cannot lay my hand on that precedent at the present time. When certain Conservatives of Montreal have approached the department as to whether there was any person in the province of Quebec competent to succeed Mr. White they have been told that the collectorship of Montreal was being reserved for a returned soldier. Could the minister give us any idea as to what soldier he has in mind?

Mr. REID: Montreal is the most important port in Canada and it is very important at the present time on account of war conditions. When it became vacant I suggested, that, like other vacancies, it should go to a returned soldier. It was my first intention to send Mr. H. C. Blair, who is one of our best inspectors, to Montreal.

Mr. GRAHAM: Where is he?

Mr. REID: He is from Ottawa. I sent him to Toronto for this reason: the man had just lost his son at the front and Toronto is not as hard a port to manage at the present time as is Montreal. I asked if Mr. Bertram could go to Montreal and take charge until a returned soldier would come back because it required a first class man. If the hon. gentleman knows Mr. Bertram, he will agree with me that there is no man in Canada better qualified to fill the position than Mr. Bertram. I explained to Mr. Bertram that I wanted him to take that place until a soldier came back. There is no man—no returned soldier—in my mind that I intend to appoint to that position. I am waiting until they come back.

But there are a number of prominent Montreal men who are qualified to fill that position and who are now over at the front. I have heard the names of one or two wounded officers who have been at the front, who have taken a great part and who have received honours for bravery. I have said that if one of these men—I do not care which—returns and is qualified to fill that position, he will be appointed and Mr. Bertram will then return to the city of Toronto. The hon. member knows that if you are holding a vacancy of that kind for a returned soldier, it is better to get some one from outside to fill the place temporarily than to ask one of the officials of the port to take it. If you promote him to the position of collector, it is hard to change him back to the position that he might have occupied before. In addition to that, the number of men on the staff in Montreal who may be qualified to fill that position is limited. While I am administering the Customs Department I will fill any vacancies in that department by the appointment of those who have been injured in France. No matter whether it is the position of collector of Customs of Montreal, which is the highest salaried position in the Custom service. I will hold it for a returned soldier.

Mr. GRAHAM: I am glad to hear the minister make that public announcement; really that is what I was after.

Mr. REID: I made it before.

Mr. GRAHAM: Not so publicly. I wanted to get it on record because these things are better when they are really official and the public understand them.

Mr. REID: I made this very same statement in the House and it is on Hansard.

Mr. GRAHAM: Perhaps I was not here, but the people of Montreal are still incredulous. There are certain Conservatives in Montreal who believe that the minister is keeping this position open for a wounded soldier, but it is to be a wounded political soldier who may now be in the Government and who is going to be wounded in the house of his friends politically. Some people think that this position is being retained with the idea that somebody, some minister—not necessarily my hon. friend—may find it possible to discover himself after readjustment time comes in the weeks that are to follow. I wanted to get the hon. gentleman to publicly admit that it is a soldier who, as he says, has been in France and has returned. I was delighted to hear the minister say that it was to be reserved for a soldier wounded on the European battlefield and that it was not being kept for a soldier wounded in the Government at Ottawa or something of that kind. Now that it has been so clearly defined, the people of Montreal can rest assured that Mr. Bertram is to stay there only until some returned soldier who is qualified, and is a resident of Quebec, will get the appointment.

Mr. REID: If he returns while I am administering the department, he will.

Mr. GRAHAM: He may have to come back very soon. My hon. friend's successor in office may be a person who is not in sympathy with the view of my hon. friend. I want to make sure that it is a returned soldier who is going to get this position in Montreal because that is what my hon. friend has said. What he has announced to-night will help somewhat to steady the feeling in Montreal which is not very sure—I am not positive that it will be sure yet—but in so far as the minister can say, his statement has limited the opportunity for appointment during the next few weeks because he gives us the assurance that it will be a returned soldier who will get the position. Can the minister give us the assurance that that is to be the Government's policy? I do not mean that it is only to be his policy because ministers may go and ministers may come but the Government may remain if it can do so by its own vote and I am anxious to know if that is to be the policy of the Government or if it is to be deviated from if the minister goes out. I want to commit the Conservative Government to this policy with regard to the port of Montreal and not the minister individually because he may not have the power.

Mr. REID: As far as the people of Montreal are concerned, I do not think they are very much troubled as to who will fill this position. I have not any doubt at all that if my health keeps good I will fill the position of Minister of Customs for many years. I am not a bit alarmed about what will happen.

Mr. GRAHAM: You mean you will attempt to fill it.

Mr. REID: I am satisfied that I will sit on this side of the House and fill the position of Minister of Customs.

Mr. GRAHAM: Not fill it—you do not mean that?

Mr. REID: As far as the Collector of Customs is concerned, when I say that as a member of the Government it will be filled by a returned soldier, it means that the Government will carry out that policy and fill it by the appointment of a returned soldier. I only hope and trust that if the hon. member comes into power, if he gets on this side, he will give the returned soldiers the same treatment that I am giving them as Minister of Customs.

Mr. GRAHAM: I am glad to draw that, too, because it is very illuminating. My hon. friend a moment ago, very carefully assured us that "so long as I am Minister of Customs," refraining from committing the Government to it as a matter of policy, he would do a certain thing. Now he has committed the Government and I am satisfied that, in so far as the Government of which he is a member will have power when the time comes, they will appoint a returned soldier to the position.

Mr. SINCLAIR: Does that apply to the other departments of the Government as well as to the Customs Department?

Mr. REID: So far as I know, it does.

Mr. McKENZIE: I wish to refer to the conditions in my own town of North Sydney. I am not going to say much about the number of officials appointed by the minister. He has increased the staff, I think, about 200 per cent. But I have another fault to find with the minister, and that is that he has not treated fairly in the matter of promotions the officials whom he found in office as compared with the favourites of the Conservative party who were appointed to office after this Government came into power. I think that when an old official is doing his work well he has a right to be treated exactly in the same way as the new man who comes into office under a different Administration. The minister told us that nobody was appointed to any position except upon the recommendation of either the chief officer of customs at the port where the appointment was to be made, or of some customs official or inspector. I can tell the minister how these recommendations were made, so far as the chief officers were concerned. They were made simply because those men in many instances were Liberals, holding their offices after the change of Government by the grace of the Minister of Customs and some Tory ward heelers who had the power of dismissal and appointment in their hands, as they believed they had and as I have no doubt they had. When they wanted anybody appointed they would simply go to the customs officer, take him by the throat and say: Here, I am told that if you recommend me to office I will be appointed. Then the customs officer had no alternative; he had no soul of his own; he was trying to protect his own head, and he would give that letter of recommendation that such and such a man should be appointed. That is the way those recommendations came to the minister, and he will find on inquiry that they were given simply because they were demanded by parties who wanted to be appointed to office. In North Sydney he will find that there were only five officials doing the whole work of the department in 1911 before the change of Government. To-day there are ten men doing the same work. I submit that there was no increase in the revenue at the port of North Sydney that would justify such a large increase in the number of officials appointed to do that work. My complaint is in reference to one of the oldest officers there, an officer named McDonald, a good official, a man against whom there has never been one black mark, so far as faithful service to the department is concerned. The moment the change of Government took place, there ceased to be any notice given to him or any advance in his pay. Younger men who came into the service nine or ten years after his appointment, are to-day enjoying larger salaries than he is enjoying, and they have been advanced in their pay year after year since their appointment. Since the change of Government, Mr. McDonald stands out as a marked man, and not one dollar of increase has been given to him. I submit that this is not fair treatment, I was going to say that it was not manly treatment, and if recommendations for increases of salary are made as the minister says, by officers in his own department, I want to know by what philosophy or what sense of smell, if I may use the expression, they can detect from the Customs Department here at Ottawa the difference between John McDonald and the other officials in the town of North Sydney, so that they can promote all others who are Tories and leave McDonald behind. This I feel should be brought to the attention of the minister, and I do not think he can defend conduct of that kind. I would also want to know why, when the offices were not enlarged, with the same buildings, the

same work, the same offices, it was necessary to have ten men to do the work which was accomplished and satisfactorily performed by five men in 1911. At the town of Sydney Mines the same thing occurs. There was only one man there before and there has been an increase of 100 per cent; there are now two men doing the work of one, possibly on the recommendation of somebody who wanted to get a position, when one would have been sufficient. I submit that too many appointments have been made and that unfair treatment has been meted out to the Liberals who had been occupying positions before the change of Government took place.

Mr. REID: I hardly think the hon. member is fair in his criticism in so far as that port is concerned. He stated there were ten men on the pay-lists at that port instead of six. In counting the ten he is including Mr. Brennan, who is overseas, and of course is not at work at that port, so it would mean nine men, or an increase of three men. I find that on the 16th of May, 1912, the collector ot North Sydney wrote the department that the Reid-Newfoundland line intended placing an additional vessel on the route between Port aux Basques and North Sydney, making a daily service, and they wanted another man to attend to that service.

Mr. McKENZIE: That is just what I say, a man wanted the office and he made the collector write the letter.

Mr. REID: In addition to that, on the 29th January, 1915, the collector wrote the department asking for the appointment of "an officer whose duty would be to board all shipping and report same, and keep records and make annual reports to the department, subject to the collector as Officer Foran had to spend most of his time at inside work." Then, on account of war conditions, it was necessary to have extra employees at that port. So far as the treatment of officers is concerned, the hon. member states that I have not treated the Liberal officers fairly, or that I have given preference to those who have been appointed since the change of Government. I have before me the record of the staff at North Sydney. The collector is Joseph McPherson, who receives a salary of $1,600 per annum, overtime $295, and for services in connection with Inland Revenue, $347. Mr. Brennan is overseas; we pay him his salary, $950. Mr. J. H. Cameron was appointed in 1913 as appraiser and gauger at $1,200 a year. I would say that that is not a large salary for the position.

Mr. McKENZIE: How did you get along previously without that official?

Mr. REID: The Commissioner of Customs, who was there himself and looked into the matter recommended the employment of an appraiser and gauger at North Sydney. Mr. John Cogan was appointed in May, 1914, at a salary of $800; his overtime pay last year was $281.10. Mr. McDonald, who, with Mr. Cogan, is acting as landing waiter, receives a salary of $800; his overtime pay last year was $284.10. These gentlemen, one a Liberal appointee, and the other a Conservative, are receiving practically the same salary. Mr. David Edwards, clerk, receives $900 a year; his overtime last year was $292.80. Clerks rank higher in the service than landing waiters, and receive a higher salary. Mr. F. E. Jackson receives $1,000 and his last year's overtime was $308.10. He is a clerk in the long room. Mr. James McLeod, whose salary is $800, does not appear to have received any overtime pay. Mr. Hector W. McNeil was appointed in 1915; last year he received $900 as salary and $124.20 as overtime. His salary and overtime, therefore, amount to less than the remuneration given to Mr. McDonald or to Mr. Cogan. Mr. Angus Young, who patrols the harbour, boards vessels, and reports same, received $1,000 and $499.50 overtime. That is the whole of the North Sydney staff. The salaries paid to the landing waiters are the same as those paid prior to the war; they are the salaries of that class. I have taken up the matter of increasing the salaries of those who receive less than $900; if this matter had come up a few days later, the landing waiters at North Sydney would probably have been among those recommended for an increase. Having regard to war conditions, the salaries of many of the officials are really low. I feel very strongly that something should be done to help many of those who are getting these small salaries. In many instances we have been able to increase the salaries owing to the saving made in reducing the staff at certain places. Some proposed increases are now before Council, and from time to time we shall endeavour to increase the salaries of those who are in this $800 class.

Mr. McKENZIE: The minister did not explain the point of my criticism. He has not stated why every one of these ten men received an increase of salary except Mr.

McDonald, who is the only Liberal among them. This action shows that the partyism which has characterized my hon. friend's administration of the department ever since he took office has been visited upon this man McDonald. The man whom they got to perjure himself in an attempt to find fault against McDonald was committed to penitentiary for perjury. The minister did not explain who was appointed to meet the new boat. McDonald used to meet the boat when only one was running; if this man Mr. Edwards does anything outside he meets the other boat. McDonald has been in the service about 20 years, while Edwards has been in the service only a few years. Edwards gets a larger salary than McDonald simply because he is a pet of the Administration. McDonald is still in the service because those who were seeking to have him dismissed could find no other man to perjure himself against him. The minister cannot defend his position; he might as well say: yes, we have singled this man out just as we single out everybody who is not a Conservative and try to starve him out of house and home.

Mr. REID: I think that my hon. friend is hardly fair in his assertions. He says that I have increased the salaries of all those who have been appointed since we came into power. Mr. Cogan was appointed on May 18, 1914 at a salary of $800. This, with the overtime, is practically the same as the amount received by Mr. McDonald.

Mr. McKENZIE: Has length of service nothing to do with promotion?

Mr. REID: I think it is hardly fair for the hon. gentleman to say that we have promoted every man who was appointed by this Government and have allowed the Liberals to remain where they were. As to the additions to the staff, two of the new appointments were asked for, as I have said, by the collector of customs for the reasons stated. The collector wrote the commissioner urging that two men be appointed, but having regard to war conditions, we could not then see why they should be appointed at the present time. The commissioner, however, on his visit to North Sydney, after looking over the port, considered it was in the interest of the service that an appraiser should be appointed. All that I know about the matter is that the collector urged that two more men be appointed; the officials of the department acting on his advice, so far as I know, finally decided that those appointments were necessary, and we appointed the two men that I have named, and it was at the request of the commissioner that I appointed the appraiser. The hon. member is hardly fair in his criticism of me so far as filling the positions in that port or any treatment of the officers is concerned. As for Mr. McDonald, I cannot remember all the circumstances, but if Mr. McDonald was an appointee of the previous Government, he is still in his position, and if I had such a feeling as the hon. member states I have, I might have had him dismissed, but I retained him in that position.

Mr. McKENZIE: As I stated, you could not get any evidence against him except that of a man who perjured himself and who was sent to the penitentiary for perjury. You did not dare to try the case against him the second time.

Mr. A. K. MACLEAN: Do I understand that the Minister of Customs does not permit any politics to enter his mind in the administration of his department? Is that the rule?

Mr. REID: Always the rule.

Mr. A. K. MACLEAN: I wish the minister would consult me about customs matters in the port of Halifax, because I would be pleased to advise him, and I think I could give him very good advice. Might I have the promise that I shall be consulted about such matters in the future?

Mr. REID: I have no objection to that, and I shall be very glad to have the hon. member's advice.

Mr. GRAHAM: The minister will ask for your advice after an appointment is made.

Mr. A. K. MACLEAN: I wish to make an inquiry for the purpose of eliciting some information in regard to a matter about which I know very little. In the British Columbia papers I have from time to time noticed that applications are made to the Department of Customs for the appointment of a customs official at the port of New York. I understand that the purpose of this requested appointment is to facilitate shipments originating on the Pacific coast to eastern Canadian points via American ports. To put the matter in a concrete form, I understand that if a shipper of Canadian produce on the Pacific coast desires to ship to the port of Montreal in the winter, he must tranship at some American port, and he desires that there be a Canadian customs official at that

port in order to facilitate transhipments and to enable him to escape some onerous customs regulations and, I suppose, the payment of duty. I do not pretend to be well informed on the matter, and I am rather anxious to understand exactly the nature of the request made by the Vancouver Board of Trade and the boards of trade of various towns of British Columbia. I wish the minister would be good enough to explain the details of the request and the position of the department on the matter.

Mr. REID: For some little time there has been such an agitation in British Columbia. It was started, I believe, by the Maple Leaf line running from New York to San Francisco and Vancouver. What they asked the department to do was to place a customs officer at New York and allow them to ship their products, say from Ontario and the lower provinces, by rail to New York, where they would be placed in a vessel, for shipment to Vancouver. The Board of Trade, as I understand the matter, said that the shipments would be made only in British vessels. The bonding privileges between the two countries are carried on in this manner: the goods may be shipped from one point in Canada to another through American territory, but in such cases, the freight cars are sealed when they leave Canada, and when they re-enter Canadian territory, the seals are broken by a customs official, so that there is no question that the goods are in the same condition as when they left Canada. There were different reasons why I could hardly see that it would be in the interest of Canada to grant that request. One reason was that it would be difficult to carry it out in the way of bonding the goods, the same as we do in the case of goods shipped by rail, because when the goods left Canada they would be placed on a vessel, and the part of the vessel in which the goods were could not be sealed.

Mr. A. K. MACLEAN: Might the goods not bear a mark?

Mr REID: You might put a mark on them, but still that mark might be obliterated. Another reason was this: we could not put an officer in the port of New York on the distinct understanding that the traffic between New York and Vancouver would be carried only by British vessels, because if we were to attempt to do that, we might create difficulties with the United States Government. Then again, it did not seem to me to be fair that our products in eastern Canada, products that we feel British Columbia should have, and the products in British Columbia that we should have in eastern Canada, that is, goods that should be transported by water on account of the cheapness of the article, should have to be shipped from one part of the Dominion to the other, on foreign vessels, or by means of other transportation in the hands of foreigners. British Columbia and eastern Canada should have every facility of water transportation, but in the summer time shipments should be made in vessels coming to Montreal, St. John or Halifax. The port would be Montreal, if the goods came from Quebec or vicinity, and St. John or Halifax, if the goods came from the lower provinces. From those ports the vessels would carry the cargoes around to Vancouver, and vice versa when the freight is from the West the vessels would come from Vancouver to those ports that I have mentioned. After the war broke out it was impossible to get vessels to engage in that trade. Freight rates have gone up enormously, and I do not think there is any possibility of getting either British or American vessels for that service while the war is on.

Mr. A. K. MACLEAN: That does not affect the principle at all.

Mr. REID: It is, therefore, of no advantage to consider the placing of an officer at New York at the present time.

Mr. A. K. MACLEAN: I understand that British Columbia made a request for the appointment of such an official long before the war. The question is bound to come up again.

Mr. REID: A request was made a short time before the war, but there were the objections that I have stated. Believing that it would be in the interests of our Atlantic and Pacific ports, I suggested to the Government that we give a contract for two vessels to start this service.

Mr. GRAHAM: Will they be subsidized, or Government steamers?

Mr. REID: Government steamers.

Mr. A. K. MACLEAN: That will not meet the difficulty. In the case of a ship, for instance, landing at Halifax with a cargo destined for Toronto or Hamilton, the minister suggests that the cargo be landed at Halifax and proceed by rail to Toronto or Hamilton. Now the shipper might not be able to stand the railway rates. I am

speaking of the winter season, when the ships could not proceed to Montreal.

Mr. REID: I understand that the Canadian Pacific Railway rate from Hamilton to St. John is exactly the same as from Hamilton to New York. The railways give exactly the same rates to our Atlantic ports as to New York, and if a vessel arrived at Halifax with a cargo for Toronto or Hamilton the rate would be the same as from New York to those points.

Mr. A. K. MACLEAN: But Halifax would not be so advantageous a port as New York for getting a return cargo.

Mr. REID: The railway companies have agents all over the provinces looking for traffic.

Mr. A. K. MACLEAN: Not for westbound traffic via the Panama Canal.

Mr. REID: I mean return cargo for vessels.

Mr. A. K. MACLEAN: The Canadian railways would not encourage that.

Mr. REID: There is a lot of cheap freight that must be carried in that way. In the summer time there is a water route, for instance, from Montreal to Port Arthur, and a rail rate beyond, and the railways are looking for that traffic.

Mr. A. K. MACLEAN: The Canadian railways surely would not encourage competition by giving a special freight rate from eastern Canadian points to New York. That would simply be encouraging traffic by water from New York to Vancouver. The minister's scheme would be of immense advantage in developing traffic if the steamers could get a return cargo from Halifax or St. John, but they are not likely to get it.

Mr. REID: They are likely to get it from points in Ontario and other provinces. For instance, if a man had a cargo of timber at Vancouver which he wanted to ship to Hamilton, if we had an officer at New York he could get the American rate. The American railways have a rate right through to New York, and all the shipper would have to do would be to add the American rate to the water rate. The advantage to the railway companies is that they get the haul from Toronto or Hamilton to St. John or Halifax. The Canadian Pacific would get the traffic from Hamilton to St. John, the Government railway system from Hamilton to Halifax, the Canadian Northern or the Grand Trunk to Montreal, and the Intercolonial the balance. The railways must compete with that water traffic, and they do it in order to get a portion of the haul. This proposed service would encourage traffic between the Atlantic and Pacific ports through our own country, and it might also encourage traffic between the West Indies and Canada. I do not know the situation thoroughly, but it is possible that if a vessel had not a full cargo for Montreal she could take freight for the West Indies, and bring back sugar to this country. I do not think it will be possible to get vessels of any kind while the war is on. We have given a contract for two vessels, and I should like to see them built and in commission.

Mr. NESBITT: In what service?

Mr. REID: From Vancouver to Halifax and St. John in the winter, and to Montreal in the summer.

Mr. NESBITT: My dear Mr. Minister, if you want to assist in building up traffic between eastern and western Canada, all you have to do is to arrange with the United States authorities to put a Customs officer at New York, and they will do the rest, and they will do it a lot cheaper than you can, by any vessels you put on. I know what I am talking about, because I know the rates, and it is the New York rates that will bring the rate down and give us the accommodation.

Mr. REID: I am not taking issue with that. Notwithstanding what the hon. member says I think I know what I am talking about too, and I believe I am absolutely right. I feel very strongly, much stronger than the hon. gentleman does, that it is in the interests of Canada, in the interests of Halifax and St. John, where we are enlarging the harbours, and in the interests of Vancouver, that every bit of freight we can carry between eastern and western points should be handled by our own men, by our own ships, and by our own railways. I believe also, notwithstanding what the hon. gentleman says, that our Canadian vessels, our Canadian railways, manned by our Canadian citizens, can carry from Vancouver to Montreal as cheaply as Americans can.

Mr. NESBITT: I agree, but we are not doing it. I am as loyal to our people and to our carriers as is the hon. gentleman, but when they want exorbitant rates, rates

so high that we cannot get our goods into the hands of the consumers at prices that they can afford to pay, then I say we want competition.

Mr. REID: I was not taking issue with the hon. gentleman on a question of loyalty, but I say that we can carry as cheaply as Americans can. He says we are not doing it, but I do not accept his statement; I believe we are doing it. I say that freight rates from Hamilton by our roads are the same as on American roads. We have never had a vessel route yet. It is all very well for the hon. gentleman to talk about rates being cheaper by way of New York, but he is speaking of the time before the war when vessels were running.

Mr. NESBITT: You can get them now.

Mr. REID: No, I have made inquiries, and I can tell the hon. gentleman that there are really no vessels there. To-day we are carrying freight on our railways at the same rates as via New York, and as soon as we get these vessels we shall have the competition just as there has been in ordinary times, and I am confident that our Canadian vessels will carry at equally low rates with the American vessels, and perhaps lower.

Mr. SINCLAIR: The minister says we have two vessels under construction that may be used for this trade?

Mr. REID: I said we gave a contract for two vessels.

Mr. SINCLAIR: To whom?

Mr. REID: To two shipbuilding companies in Vancouver.

Mr. SINCLAIR: Are they steel vessels?

Mr. REID: No, wooden.

Mr. SINCLAIR: Freight vessels?

Mr. REID: Yes.

Mr. SINCLAIR: The intention is to use them on the route from Vancouver to Atlantic ports by way of the Panama canal? Are they steam or sailing vessels?

Mr. REID: They have what is called auxiliary power. They run eight or nine knots an hour.

Mr. SINCLAIR: That would be a very slow service. I cannot understand the hon. minister's explanation. His main reason seems to be that because one cannot send a whole shipload at one time it would not be advisable to send packet freight. But we are now using the bonding privilege to send goods to the United States, and we do not need to send a whole carload, do we? One can send a locked trunk, can he not?

Mr. REID: It goes in a bonded car.

Mr. SINCLAIR: I would not object to that. But if you can send such a package without violating the customs regulations, why not facilitate the traffic by having an officer in New York? Then it will be possible to put goods aboard a steamer running between Halifax and New York, or between Quebec and New York, and tranship them to another boat running through the Panama canal, and perhaps tranship again in order to reach Vancouver. Why should not these facilities be granted? The minister's reasons, so far as I can understand them, do not seem to be sound. And the remedy he proposes seems to me ridiculous. He is going to have auxiliary-power wooden sailing vessels put on the route. That would be the slowest kind of a line that ever was and would never work up any trade worth while. I hope the minister is ambitious to do more than that.

10 p.m.

Mr. A. K. MACLEAN: I agree that it is desirable to confine to our own transportation lines, as far as possible, our domestic traffic. But here is a special condition which requires special treatment. I do not see anything strange in appointing customs officials at the port of New York to facilitate transhipment from vessels laden with cargo from Vancouver and destined for eastern Canadian points. One would need to understand better than I do the cargo that vessels sailing from eastern Canada to Vancouver would be likely to carry. It might not be possible to get a west-bound cargo at a Canadian port at all—I do not know that, but I say it is probable. But a Vancouver steamer can secure a return cargo at the port of New York, goods originating in Canada and reaching New York in bond. All the Vancouver people ask for is the same facilities for their products destined for eastern Canada.

Mr. REID: No, they cannot ship to Canadian eastern ports through New York now.

Mr. A. K. MACLEAN: But that steamer on her return trip can be loaded with Canadian goods which have come through American territory on American rails in bond?

Mr. REID: No, they cannot do that.

Mr. A. K. MACLEAN: Why not? Do I understand that Canadian goods cannot be shipped from a Canadian point to the port of New York, there to be loaded aboard a steamer bound to British Columbia without paying duty?

Mr. REID: No; if they could do that, they could do the same thing back again.

Mr. GRAHAM: I want to come back again to the appointment of returned soldiers. The minister will see in a moment why I was so anxious that he should commit himself and also commit his colleagues on this subject. I find in the London Advertiser the following despatch:

New Postmaster.

St. Marys Office Filled, But Not by Returned Soldier.

St. Marys, May 27.—Bert L. Lancaster has been appointed postmaster, vice T. O. Robson, who resigned through illness.

It was expected that Lincoln Rice, a Toronto University student and a returned soldier, would be given the appointment in view of the Government promise to give invalided soldiers, where qualified, such positions.

The Postmaster General, who is in uniform, and has been on a recruiting tour in Quebec, is responsible for appointing a man, undoubtedly at the request of political friends, and declining to appoint a returned soldier as postmaster in St. Mary's. You can understand why, with that kind of a disposition, he would not make a successful recruiting officer, and the minister will be able to see the necessity and wisdom of my committing the Postmaster General to the policy of appointing returned soldiers, which policy has been violated by him no longer ago than on May 27.

Mr. REID: The hon. member should bring it up on Postmaster General's estimates. I do not know anything about it.

Mr. GRAHAM: I certainly shall, but I wanted to point out to my hon. friend the reason why I pursued him till he committed the Government to the policy of appointing returned soldiers. His colleagues are not carrying out that policy.

Mr. REID: There may be some explanation of that case.

Mr. TURGEON: In order to make sure, as my hon. friend from South Renfrew (Mr. Graham) has done in the case of Montreal, I might call the attention of the Minister of Customs to the fact that there is a vacancy at present at the most important port in the county of Gloucester, caused by the death

of Mr. John J. Harrington, late collector of customs at Bathurst, who died a few weeks ago. So far the position has not been filled. I would understand that it would be in order to appoint a returned soldier from the field of battle. I am willing to say that the Bathurst collector, although appointed by my hon. friend, was a very good officer, a good citizen, a good father and a man of high character, whose death caused regret to every citizen of Bathurst. The officer who was dismissed in 1911 by my hon. friend is to-day a minister of the Crown in the new Liberal Government in the province of New Brunswick, and I suppose he owes a debt of gratitude to my hon. friend for his dismissal at that time. However, we shall see what the course of the minister will be when a returned soldier is available for that position. I admit that there is not among any of the returned soldiers to-day one who would be qualified for that position. Unfortunately, of those who have gone from my county, more have made the supreme sacrifice on the field of honour than have come back with laurels either wounded or incapacitated. Meanwhile I would like to make sure, as my hon. friend made sure in regard to Montreal, that I can depend upon it that my hon. friend will defer action until a returned soldier qualified to fill the position comes back. There is more than one man at the front to-day who is qualified for that position and any one of these men, when he comes back, will be able to fill the position with honour and ability. There is one very young man who has returned with honours won upon the field of battle but he has not been offered the position. Of course, he happens to be the son of the dismissed officer who is now a minister of the Crown in the province of New Brunswick. My hon. friend is not aware, perhaps of all these details. Yet, in order to make sure as to what might take place in the future I want to secure the promise of my hon. friend that if he should be pressed by the politicians of Gloucester county, he will resist their demand until a returned soldier, able to fill the position, shall come back and that he will get the position.

Mr. REID: I would have liked the hon. member (Mr. Turgeon) to have told the whole story about Bathurst as I recollect it. From the speech of the hon. member one might infer that in case there was a vacancy at Bathurst I would not appoint a returned soldier. I do not know whether

I am right or not, but is it a fact, or is it not, that there has been a vacancy at Bathurst and that I did insist upon a returned soldier who was not a resident of the county at all getting that position?

Mr. TURGEON: Yes, but I referred to the collectorship. That is the assistant.

Mr. REID: Why did not the hon. member, in making these few remarks, explain the whole case because this goes to show that I am following up that policy right in the county in which he lives?

Mr. GRAHAM: Only with reference to the sub positions; he was speaking of the collectorship.

Mr. REID: What I am objecting to is that the hon. member was casting doubt in the minds of the members of this House and the people of this country as to whether I was adopting that policy in his own county. Yet, when there was a vacancy in Bathurst, right in his own county, I appointed a returned soldier who did not live in the county. The gentleman that he refers to was not in the county at the time of the vacancy and I brought in a returned soldier from another county who had done duty in France, who was wounded and who is occupying that position in Bathurst at the present time. There you see that I was trying to follow out that policy in the county which the hon. gentleman represents. As far as the man to which the hon. gentleman refers is concerned, I have not heard anything of him and he has not made any application. I would like to ask the hon. member if his attention has been drawn to the fact that as soon as the Liberal party came into power in New Brunswick they dismissed every Conservative official in the whole province. One of the first was the sheriff right in the town of Bathurst who, as the hon. gentleman knows, was one of the best officials in the county, a man that they could not say one word against, a man who had a son, or several sons at the front. Yet, they dismissed him without any investigation or anything else and they have not appointed a returned soldier to the position in New Brunswick. As far as the appointment of a returned soldier to a position in New Brunswick. the situation is this: Here is an official who had been 15 or 16 years in office, a man that no one in the county could point his finger at, a man who took no part in political matters and yet he was hoisted out of his office the minute the Liberal Government came into power. They did not appoint a returned soldier to the position. I have been asked, in view of the fact that no soldier, as the hon. members says, has returned from the front, in view of the many men who have gone from that county and the possibility of men coming back who might be injured to such an extent that they were not fit for any other occupation, a man with an arm or a leg off, or in view of the fact that the sons of this man who has been dismissed as sheriff of the county will probably return, perhaps invalided, whether I would not appoint him temporarily to that position until one of his sons came home or until some other man came home who would be able to fill it. This has been urged especially because of the fact that the Liberal government have taken the livelihood of a man 60 or 65 years of age by dismissing him in that way. I have refrained from appointing a returned soldier but in view of the fact that the Liberal Government in New Brunswick are dismissing officials without one word of warning, instead of following up the policy that I have been following with regard to the appointment of returned soldiers, I would ask my hon. friend, now that the matter has come up, if he thinks it would be an unfair thing to allow a man to act temporarily while his sons are at the front or until one of his sons, or some other man, comes back who is qualified to fill that position.

Mr. TURGEON: As to the appointments made by the Liberal Government of New Brunswick, I have no responsibility, although I will say to my hon. friend that if the son of that sheriff who has been dismissed, as he says, by the Liberal Government, were to return the first of them all, I would be in harmony with the minister for his appointment. Had he not mentioned the appointment of an assistant to the Customs Department of a returned soldier from outside of the county, I would not have mentioned this, because I had in mind simply the ensuring of the position now vacant for a returned soldier. As to the political conduct of the ex-sheriff, the man who has been dismissed, my hon. friend says he has never been an active politician. May I contradict him in that respect? I say that he has been a very active politician, active against myself in every election since he was appointed until the last election when, a few days before, seeing the approach of a change of Government, he became very decent and quiet. At the same time if his son were to return—and I

have a great respect for his son whom I know perfectly well—if he would be the first to return wounded or incapacitated and my hon. friend should be in power and give him the position, I would be in harmony with him.

Mr. REID: I will give it to him anyway, whether you are or not.

Mr. TURGEON: All right, we might give it to him. At the same time I want to say that I wanted to secure from the minister, after my hon. friend's reference to the postmastership in St. Thomas, where no doubt there are a great many returned soldiers, some guarantee for one of the returned soldiers in my county; and if the son of the dismissed sheriff should return, I would be satisfied with him or any one else the minister might appoint.

Mr. REID: Would the hon. gentleman consider it fair that, pending the return of his son who is now at the front, the dismissed sheriff should be appointed temporarily to the position so that the son would have it on his return? Would the hon. gentleman agree to that?

Mr. TURGEON: I would agree to that.

Mr. REID: You will agree to appointing the son?

Mr. TURGEON: Yes.

Mr. REID: Then I will do it to-morrow.

Mr. TURGEON: He has a son at the front, and if he is appointed temporarily I accede to that.

Mr. REID: If the hon. member agrees to that, I do not know his name, but to-morrow I will appoint him collector of customs and his father will go on and act until he returns.

Mr. GRAHAM: See how quickly my hon. friend can change. Less than three minutes ago he was going to make the appointment whether my hon. friend agreed or not, and in less than three minutes he bases his appointment of the soldier on the agreement of my hon. friend. I wanted to ask the minister about conditions in his own constituency. The regulations to which I refer may perhaps come under some other department, possibly the Department of Immigration, but as the minister told us that he was the patronage committee in his own riding, he will understand the matter. I received a letter to-day saying that the international regulations under which men of military age are not allowed to cross between the United States and Canada were practically ignored between Prescott and Ogdensburg, down where my hon. friend lives. I know there is a good deal of traffic there, but I can scarcely believe that the situation can be as described in the letter I have received. If it is, then there is one port in Canada where the young men of Canada can practically go without restraint to the other side of the line. I should like an explanation from the minister.

Mr. REID: I should like to say that I read an item that has appeared in the press that I had gone to Prescott—

Mr. GRAHAM: I did not see that, it was some letters to me.

Mr. REID: When I returned home on Saturday morning I had to leave for New York on Saturday afternoon, and when I went to the ferry dock there was a complaint there that those wishing to go across the river between the ages of 18 and 45 had serious difficulty with one of the immigration officials who had interpreted the Order in Council, or the instructions, to mean that no one between the ages of 18 and 45 was to be allowed to cross. The other two officers interpreted the regulations as meaning that they were to be allowed to cross if they had the proper permits. The difficulty arose when the officer who thought that there was a total prohibition of crossing by those of military age was on duty. I explained to the one official that the interpretation of the others was the correct interpretation, and that unless the officers really felt that a man was trying to get away out of the country to escape military service, any man having the proper permit should be allowed to cross, as the Government desired to cause the least possible inconvenience. After that I understand there was no difficulty.

Mr. GRAHAM: Do the photographs of these men accompany the permits?

Mr. REID: Not in any that I saw.

Mr. GRAHAM: Of course, the difficulty about the permits without a photograph need not be explained.

Mr. REID: The difficulty was more with the local traffic. Men were coming from Brockville, Cardinal, Kemptville and other places back in the country, really between the two counties, and that is where the trouble arose. There did not seem to be any general complaint. I asked the customs officers if they had noticed any trouble,

and they said there was no difficulty at all. I think the whole trouble was there, as at many other ports, that the officers were a little afraid, that they had not yet become accustomed to the working of the regulations. I do not anticipate trouble.

Mr. NESBITT: The minister has referred to the payment of overtime to customs officials. What are the official hours for customs officers in country ports, and do the same hours apply to all country ports?

Mr. REID: The regular hours are from 9 to 5. The officials are given overtime pay for work performed outside of those hours.

Mr. NESBITT: What is the rate for overtime pay?

Mr. REID: Thirty cents an hour.

Mr. McKENZIE: Would it not be better for the minister to do away with this overtime system and increase the salaries to provide for the extra work done?

Mr. REID: This system has been in force for a long time. I really do not think that the officials would favour the suggestion made by my hon. friend. In my town the men go on at 7 in the morning and work until 5 or 6. The ferry boats run until 12 midnight, and the men take turns in doing the overtime work. I think, therefore, that it would not be practicable to place the salaries at such a high amount as to provide for the overtime. The salaries, including overtime, run from $1,200 to $1,300 per annum; the hours are not very long. If we abolished the overtime altogether, we should have to increase the staff, because ordinarily the men would be employed only during the regular hours. In the town of Prescott about $2,000 a year is paid by way of overtime. If two more men were put on to take up the work otherwise done outside the regular hours, you would simply be taking it from the other men. Altogether, the system works very well.

Mr. McKENZIE: What I suggest is that instead of paying the men extra for overtime, a fair wage be arrived at and paid as a stated salary. The adoption of such a system would save much bookkeeping and much timekeeping. I do not know whether or not the men keep their own time, but if they do, they are all human, and they are apt to be not very strict as to the length of their overtime service. I should think that it would save much bother and be much more satisfactory generally if the overtime payments were abolished and the salaries increased to cover work after hours.

Mr. REID: The men would not work overtime if they received a regular salary; they would work from 9 to 5. As I say, the system has been very satisfactory, and I should not like to make any change without consulting the officials and going into the matter very thoroughly.

Mr. NESBITT: The minister did not answer my question as to whether the system of overtime applies to all ports.

Mr. REID: It applies to any port where a man is employed outside the regular hours.

Mr. COPP: In his anxiety to attack the governement in the province of New Brunswick because of a question asked by the member for Gloucester, the minister a few moments ago charged the present Government of the province of New Brunswick with discharging every Conservative official in the province. For the purpose, I suppose, of offering an excuse for the manner in which he has carried on the affairs of his department in the interests of his own party, he makes this assertion against the Government of the province of New Brunswick. May I ask my hon. friend upon what information he bases the assertion which he has made, and what were the names of the persons dismissed?

Mr. REID: That report has been in circulation since the present provincial Government came into power. The hon. gentleman can get sufficient evidence of that without asking me for it.

Mr. McKENZIE: The minister has not any.

Mr. COPP: I may tell the minister that I have not any such information.

Mr. REID: Have you been in New Brunswick since the election?

Mr. COPP: Yes, and I was there during the election. I had occasion to be at different polling booths in two different counties. At one of the places I attended a number of officials stood at the polls and worked against the government—and they are still holding office. The only evidence my hon. friend gave of officials being dismissed in the province of New Brunswick was the statement concerning the sheriff of the county of Gloucester. I may tell my

hon. friend that no sheriff has been dismissed in the province of New Brunswick since the election. The sheriffs in that province are appointed annually. In some cases the old sheriffs are reappointed; in other cases they are replaced because they have outlived their usefulness. During an election in the province of New Brunswick the registry office in a certain county was closed up to ordinary business and used as a Tory consulting room on election day. On another occasion a sheriff of a certain county established a polling booth in the Conservative committee room. My hon. friend had no justification for making the charge that he did against the Government of the province of New Brunswick, because the sheriff to whom he referred was not reappointed to office after his term had expired.

Mr. GRAHAM: That matter has been settled by the minister appointing to the office a gentleman recommended by the hon. member for Gloucester. I was going to suggest to the minister that as at least some of us have worked very faithfully, we should pass the first item, although it is a large one, and then adjourn. Of course, we shall be allowed to discuss almost any matter on the other items?

Mr. REID: Certainly.

Progress reported.

On the motion of Hon. Mr. Rogers for the adjournment of the House.

Mr. GRAHAM: What business shall we take up to-morrow?

Mr. ROGERS: Whatever Bills are on the Order Paper and then we will go into Supply.

Mr. GRAHAM: Shall we take up all the Bills that are on the Order Paper?

Mr. ROGERS: All that are ready.

Mr. PUGSLEY: There is a Bill intituled The Military Service Act, 1917.

Mr. ROGERS: I cannot say as to that.

Motion agreed to, and the House adjourned at 10.45 p.m.

Thursday, May 31, 1917.

The House met at Three o'clock, the Speaker in the Chair.

HIGHWAYS BILL.

Hon. FRANK COCHRANE (Minister of Railways) moved for leave to introduce Bill No. 58 to encourage and assist the improvement of highways.

Sir WILFRID LAURIER: Does this Bill differ in any way from the Bill introduced by the minister on two former occasions?

Mr. COCHRANE: It is a copy of the same Bill.

Motion agreed to and Bill read the first time.

CRIMINAL CODE AMENDMENT.

DISQUALIFICATION OF ALIEN ENEMIES PROPOSED.

Mr. J. A. CURRIE (East Simcoe) moved for leave to introduce Bill No. 59 to amend the Criminal Code.

Sir WILFRID LAURIER: Explain.

Mr. CURRIE: I shall read the Bill, which will explain itself. It is an amendment to Section 79 of the Criminal Code and reads as follows:

79. A. Any person who votes for any person, for any public officer, or who takes any active part in any election for any public office by becoming a candidate, speaking, writing, canvassing or driving voters to the poll, who was or is a citizen of any country, now or at any time during the past five years at war with Great Britain or her Allies; or who was a subject of any country not allied with Great Britain or her Allies, which does not permit its citizens the rights of expatriation, or holds the doctrine of dual citizenship or who was exiled or banished from any allied country, even though such person may have been granted naturalization in Canada or Great Britain, or may have his or her name on the Voters' List; shall be deemed guilty of an offence under this Act, and on conviction before a court of competent jurisdiction shall be liable to imprisonment for a term of not less than two years, together with forfeiture of civil rights and all property to the Crown.

B. The above provisions shall not apply to any person who is serving or has served in His Majesty's Forces, or has been a naturalized British subject resident in Canada for twenty-five years. The burden of proof as to such exception shall rest upon the Voter.

C. Any person giving such information as will lead to the conviction of any such person shall be entitled to one-third of all fines and forfeitures.

I informed the Minister of Finance sometime ago that I intended to introduce this Bill, and he asked me to defer its introduction until the return of the leader of the Government. I have done so, but unfortunately the time for dealing with measures introduced by private members has expired. I would therefore ask the Government to set aside a day to discuss this subject.

Motion agreed to and Bill read the first time.

QUESTIONS.

(Questions answered orally are indicated by asterisks.)

RAILWAY COMMISSION—APPEALS FROM.

Mr. SINCLAIR:

1. How many appeals were taken each calendar year since 1908 from decisions of the Board of Railway Commissioners to the Governor in Council?

2. What was the number of cases each year in which the decisions of the Board were varied or reversed?

Mr. DOHERTY:

1. 1908, nil; 1909, nil; 1910, 1; 1911, 2; 1912, 5; 1913, 4; 1914, nil; 1915, 2; 1916, 1; 1917, 1; total, 16.

2. 1908, nil; 1909, nil; 1910, nil; 1911, nil; 1912, 1; 1913, nil; 1914, nil; 1915, nil; 1916, nil; 1917, nil; total, 1.

BINDER TWINE.

On the Orders of the Day:

Hon. FRANK OLIVER (Edmonton): Mr. Speaker, I desire to call the attention of the Minister of Justice to a letter which I have just received from a union of the United Farmers of Alberta, No. 383, in regard to the binder twine situation. The letter says:

> The Union has been trying to place its order for binder twine but has been unsuccessful so far. We have tried the Alberta Farmers Co-operative Elevator Company and the T. Eaton Company, Winnipeg. Both have sold their entire stock and find it impossible to get more from the manufacturers. The T. Eaton Company explains that raw materials for the manufacture of twine have been on the docks for months and that they have gone so far as to ask the Government at Ottawa to help out, but so far (May 1, 1917) have not been able to get any more cars moving.

Sir GEORGE FOSTER: If my hon. friend will send that over to me, I will make inquiries.

PRIVILEGE.

STATEMENT BY MR. D. B. NEELY.

On the Orders of the Day.

Mr. NEELY: Mr. Speaker, I rise to a question of privilege. In the vote taken on the 29th instant on the amendment of the hon. member for Edmonton (Mr. Oliver) I notice that my name is not recorded in the list of pairs. I was paired with the hon. member for East Elgin (Mr. Marshall), who, through a misunderstanding, voted on that occasion. In order to set the matter right, I may say, that had I voted I should have voted for the amendment.

PURCHASE OF CHEESE BY BRITISH GOVERNMENT.

On the Orders of the Day.

Hon. CHARLES MURPHY: In the absence of the Minister of Agriculture I wish to draw the attention of the Prime Minister to a matter that was mentioned a couple of days ago with regard to action that is alleged to have been taken in connection with the export of the surplus supply of cheese. My right hon. friend will recall that I intervened with a word on that occasion. I have since received representations from my constituents who are complaining about the continued inaction, as they describe it, and the storing up of the cheese in the curing rooms. I am obliged again to ask the Prime Minister if he is in a position to make a statement in the House with regard to this matter.

Sir ROBERT BORDEN: Owing to the indisposition of the Minister of Agriculture, I am not, perhaps, as fully informed as I should be on the subject. I did address a somewhat urgent communication on the matter two days ago, but I have not yet received a reply. I am under the impression that the British Government have decided to take over at a fixed price all cheese coming either from the United States or from Canada. This was done some time ago with regard to Australia and New Zealand; arrangments were made which were accepted by the governments of these Dominions and by the British Government. The difficulty here has been the ascertainment of a proper price. I think that the Commission that was appointed has found itself unable to act so far on account of the difficulty experienced by the British Commissioner in obtaining the necessary instructions from the British Board of Trade. There has been no inaction on the part of this Government, who have been endeavouring to do everything in their power, but as the British Government are to be the purchasers, certain conditions must be authorized by them and cannot be authorized by us. So far as I have gone into the details I have been speaking more from impression than from actual knowledge, and my remarks must be taken subject to that qualification. I have, however, given an accurate statement of the situation so far as I have knowledge of it at the moment. I shall inquire from the Minister of Agriculture whether he can give any additional information on the subject.

DR. BRUCE'S REPORT.

On the Orders of the Day:

Hon. FRANK OLIVER: I understand that the Minister of Militia has received the report from Dr. Bruce. May I ask if it is to be laid on the Table, and if it is to be printed?

Sir ROBERT BORDEN: The Minister of Militia has referred that matter to me and I have examined a report or memorandum with regard to it, so far as the demands upon my time would permit. It is not the intention of the Government to lay it on the Table without first submitting it to the Overseas Minister of Militia, to whom in the ordinary course it should be presented, as it relates to matters under his immediate jurisdiction. Whether or not the report will afterwards be laid upon the table, I am not for the moment prepared to say. I speak not of my own knowledge when I refer to the contents of the report, because it is voluminous and I have not had time to read it, but I understand that a portion of it is not responsive to anything in the report of the Commission over which General Babtie presided and that it is not made in respect of any matter upon which Colonel Bruce was asked to report. Whether that is the case I am not now prepared to say, owing to lack of time to make the necessary examination. I am thoroughly of opinion, however, that the report should first be submitted to the Overseas Minister of Militia. During the interval I shall have an opportunity of considering whether the document is of such character, having regard to the public interest, that it should afterwards be laid upon the table of the House.

Mr. OLIVER: In view of the fact that it will necessarily be a considerable time before Dr. Bruce's report can be printed or made public, as it has to take the course decided upon by the Prime Minister, is it the intention of the Government to have the reports made by Dr. Bruce, Dr. Jones and Dr. Babtie, which were printed in England, (a small number of copies being available in Canada) published in Canada for public circulation?

Sir EDWARD KEMP: At least forty of these reports were available for distribution to members of the House. I do not know whether or not they have all been called for. The expense of printing large numbers of the three reports would be considerable, and it was thought that forty would be sufficient. I shall make inquiries of the Clerk of the House, to whom the copies were sent, and ascertain whether or not they have all been distributed. The Clerk may still have on hand a sufficient number of copies for all members who desire to see them.

Mr. J. G. TURRIFF: When Dr. Bruce's report was first laid on the Table I got a copy of it for the purpose of making some extracts from it. The King's Printer, however, telephoned me two or three times saying that he wanted the report for the purpose of printing a number of copies of it, a month or six weeks ago, therefore, he got the report, a day or two after it was laid on the table. Obviously his intention was to print additional copies so that we should not have to secure a copy every time we wanted to make extracts from the report. These reports ought to be printed and available for members of the House. The Government would appear to be dilly-dallying with the report and delaying the printing of it and its being laid on the table.

Sir EDWARD KEMP: That is not the case at all. The reports are public property; they have already been laid upon the table of the House. I was under the impression that no more copies would be required than those which had been sent to the Clerk of the House. I shall look into it and see how many were sent out and whether some are still available for distribution. Perhaps the hon. gentleman himself has not lately ascertained that.

Mr. OLIVER: Do the remarks of the minister apply to the three reports of Dr. Bruce, Dr. Jones and Dr. Babtie?

Sir EDWARD KEMP: I do not remember as to that. The member for Assiniboia said that the report was laid on the table a month or six weeks ago. It was before that, however; it was during the first part of the session.

Mr. TURRIFF: Before the adjournment.

Sir EDWARD KEMP: If my memory serves me correctly, a number of copies of all three reports were printed. I shall look into the matter, and if sufficient copies are not available, I assume we shall have to go to the expense of printing additional copies.

Mr. TURRIFF: This matter has been brought up on the Orders of the Day half a dozen times during the past month, and we are not a bit further ahead than we were a

month ago. My hon. friend is always going to find out.

Sir EDWARD KEMP: Permit me to correct the member for Assiniboia. The matter to which he refers as having been brought up half a dozen times during the last few weeks is the matter brought up by the member for Edmonton. The reports referred to by the member for Assiniboia were those brought down before the House adjourned.

Mr. OLIVER: Three printed reports, the Bruce report, the Jones report and the Babtie report, are in the hands of the Clerk. I have been favoured with copies of all three. Have all three been laid on the table, or was only the Bruce report laid on the Table?

Sir EDWARD KEMP: I am under the impression that all three were laid upon the table. However, I am speaking from memory. They are in the hands of the Clerk.

Sir ROBERT BORDEN: That is my recollection.

Mr. OLIVER: I am informed that only the Bruce report was laid on the table. It is desirable that the other two reports should also be laid upon the table, in order that they may be made public.

Sir ROBERT BORDEN: Speaking from recollection, I am confident that the Bruce report and the Babtie report were laid upon the table by myself before the House adjourned in February. I have no recollection at all of the report of Dr. Carleton Jones; in fact, I do not think I was aware that there was any such report.

Sir WILFRID LAURIER: My memory agrees with that of the Prime Minister, that the first two reports, those of Dr. Bruce and Dr. Babtie, have been laid upon the table. I do not know that the report of Dr. Jones has been laid upon the table in reference to this subject and the answer just given by my right hon. friend, was the second report, that is the reply of Dr. Bruce made by order or of his own motion?

Sir ROBERT BORDEN: So far as I understand, that report was made of his own motion. I have no information to the contrary.

Sir WILFRID LAURIER: As we have had the accusation, and the reply of Dr. Bruce, I would suggest to my hon. friend that in justice to Dr. Bruce, who is a responsible man, the reply should be made public.

Sir ROBERT BORDEN: That is well worthy of consideration in so far as that report is in response to anything in the Babtie report. My right hon. friend, however, will agree that the subject is one that should be brought to the attention of the Overseas Minister of Militia.

Mr. OLIVER: Do I understand that it is the intention to lay the report of Dr. Carleton Jones on the table, and thereby make it a public document?

Sir ROBERT BORDEN: I know of no reason why that report should not be placed upon the table of the House. The minister of Militia so informs me.

Mr. LEMIEUX: This may clear the atmosphere. A few weeks ago I received the report on the Canadian Army Medical Service by Dr. Bruce, the interim report of Dr. Jones, and the report by Dr. Babtie.

Sir THOMAS WHITE: How did you get them?

Mr. LEMIEUX: I got them by asking for them from the Clerk of the House.

WESTERN COAL MINING.

On the Orders of the Day:

Mr. W. A. BUCHANAN (Medicine Hat): Might I ask the minister for a statement as to the present situation in connection with the coal strike in western Canada, and also to give the House information as to what the Government is doing to get the mines into operation again? The situation is very serious, and if necessary drastic action should be taken.

Hon. T. W. CROTHERS (Minister of Labour): Efforts are still being made with a view to securing resumption of work, and the executive officers of the international organization of the United Mine Workers are taking an active and earnest interest in those efforts. I hope they may be successful very soon; but if they are not, efforts will be made by the Government with a view to controlling the output of coal in that region.

FIFTIETH ANNIVERSARY OF CONFEDERATION.

PROPOSED CELEBRATION.

Rt. Hon. Sir GEORGE FOSTER (Minister of Trade and Commerce): Mr. Speaker, with the consent of the House, I would like

to present the report of the special committee which was appointed conjointly by the Senate and the House of Commons to report upon the method of celebrating the fiftieth anniversary of the Federation of this Dominion. This is the report:

House of Commons,
May 31, 1917.

The special committee, appointed to consider and report upon the arrangements which should be made for the celebration of the fiftieth anniversary of the foundation of this Dominion, ask leave to submit the following recommendations as their first and final report.

That a topical pamphlet comparing and contrasting Canada of 1867 with Canada of 1917, be published for the purpose of drawing attention to the outstanding features of Canadian growth and development and giving direction to the thoughts which should animate the memorial services.

That the Government issue a proclamation inviting churches, Sabbath and day schools, colleges, municipal authorities, Canadian Clubs and other associations to co-operate in the working out of fitting commemorative services for the day.

That the Provincial authorities be requested to arrange for a special official celebration of the anniversary at the capitals of the several provinces.

That the Federal Government provide for the issuance of a commemorative post card and postage stamp, with appropriate design and legend representative of the work of the Fathers of Confederation.

That appropriate memorial services be held at London and Paris on July 1st.

That upon the central stone column, upholding the roof of the great entrance hall of the new Parliament buildings, the following inscription be incised:

JULY
1867 1917
ON THE FIFTIETH
ANNIVERSARY OF THE CONFEDERATION
OF BRITISH COLONIES IN NORTH
AMERICA
AS
THE DOMINION OF CANADA
THE CANADIAN PARLIAMENT AND
PEOPLE
DEDICATED THIS BUILDING
THEN IN PROCESS OF CONSTRUCTION
AFTER DAMAGE BY FIRE,
AS A MEMORIAL OF
THE DEEDS OF THEIR FOREFATHERS
AND OF THE VALOUR OF THOSE
CANADIANS
WHO IN THE GREAT WAR FOUGHT FOR
THE
LIBERTIES OF CANADA
OF THE EMPIRE
AND OF
HUMANITY.

That the Government arrange a fitting ceremonial service for setting in place and dedicating this inscribed stone at 12 noon, on the 2nd day of July, 1917.

[Sir George Foster.]

Mr. MARCIL: Is it the intention to have the inscription in both languages?

Sir GEORGE FOSTER: The committee did not deliver itself upon that point.

Mr. LEMIEUX: I recommended that that be done at the first meeting of the committee.

Sir GEORGE FOSTER: I imagine that it could easily be done.

SALARY OF POSTAL CLERKS.

On the Orders of the Day:

Mr. W. E. KNOWLES: Will the Acting Postmaster General tell us what is to be done with regard to the prospective salary increases for the postal clerks, including carriers? The hon. gentleman is no doubt aware that the different associations have been asking for increases.

Hon. Mr. PATENAUDE: I shall probably be able to answer my hon. friend in two or three days.

SURGEON GENERAL CARLETON-JONES' REPORT.

On the Orders of the Day:

Sir EDWARD KEMP: As there seems to be some doubt whether the proper formalities have been complied with, I now beg to lay on the table the report of Surgeon General Carleton-Jones. The Clerk of the House has in his possession for distribution among the members quite a number of copies both of this report and of the other two.

GOVERNMENT RAILWAYS—PURCHASE OF COAL CARS.

On the Orders of the Day:

Mr. E. M. MACDONALD: I should like to call the attention of the Minister of Railways to the situation that exists in eastern Canada with reference to the delay in the transportation of coal. Transportation by water has been practically cut off and there is accordingly a greater demand for coal cars on the Intercolonial. I am informed by business men that there is a very great paucity in the supply of coal cars. I think the minister should provide not only for immediate needs but for our needs next winter, and I bring this matter to his attention with a view to asking whether it is his intention to supply the number of cars that are required for the transportation of coal on the Intercolonial.

Hon. FRANK COCHRANE: The only firm that has spoken to me about the moving of

coal on the Intercolonial is the Dominion Coal Company. My officials have come to Ottawa, but I have not had an opportunity of discussing the matter with them yet. I can assure my hon. friend that we will do our best to get the cars. We have been trying to get cars in the United States, but have found it almost impossible to get even second-hand cars. I let a contract over a year ago to a manufacturer in the constituency of my hon. friend, but he has not delivered the cars yet.

Mr. MACDONALD: How many were ordered?

Mr. COCHRANE: Five hundred.

SUPPLY.

PROPOSED AMENDMENT BY MR. ROBB.

On the Order being called, "House again in Committee of Supply."

Sir THOMAS WHITE: In connection with this Order, the hon. member for Huntingdon (Mr. Robb) was good enough at my request the other day to postpone the moving of an amendment to the motion to go into Supply, on the understanding that the matter should come up to-day. So far as the Government is concerned, we are prepared to consent to his proceeding with his motion.

Mr. SPEAKER: The rule is explicit that on Thursdays and Fridays the Speaker shall leave the Chair without question put, but if it has been arranged between both sides of the House that the hon. member may proceed with his motion, I shall interpose no objection. I would point out however, that the rule must not be regarded as obsolete.

Sir ROBERT BORDEN: Perhaps it would be better if a formal motion were made that the rule be suspended.

Sir WILFRID LAURIER: Yes.

Sir ROBERT BORDEN: I beg to move, if my right hon. friend has no objection, that rule 17 (c) be suspended for this sitting.

Sir WILFRID LAURIER: I have very great pleasure in seconding the motion, but I would observe that there are certain rules more honoured in the breach than in the observance, and this is one of them.

Motion agreed to.

On the motion of Sir Thomas White (Minister of Finance) that the House do go into Committee of Supply.

Mr. J. A. ROBB (Huntingdon) moved in amendment:

That all the words after the word "that" be struck out and the following be substituted therefor:

That to ensure a plentiful supply of bran, shorts, and middlings for the farmers who produce milk, cream, butter and cheese, and for the raising and fattening of live stock, this House is of the opinion that bran, shorts and middlings should without delay be placed on the free list.

Mr. SPEAKER: I must point out to the hon. member that the subject matter of his amendment was discussed and passed upon by the House when it considered the amendment moved by the hon. member for Edmonton, whose amendment embraced all foodstuffs. The subject matter of the amendment by the hon. member for Huntingdon having therefore been considered and disposed of by the House this session, his amendment is not in order.

Mr. ROBB: Will you permit me, Sir, to point out what I think is a misunderstanding. In the first place, this amendment applies not to food but to feeding stuffs for cattle. I also——

Mr. SPEAKER: I must remind the hon. member that I have already ruled his amendment out of order.

Sir WILFRID LAURIER: I would not presume to discuss your ruling, Sir, at the moment, but might I ask for permission to bring the matter to your attention at a subsequent date? Because the House has disposed of an amendment for placing all foodstuffs on the free list, I do not think the House is bound to say it will not later on consider an amendment for placing one particular foodstuff on the free list. There is a great difference between placing all foodstuffs and placing one foodstuff on the free list. I would ask for permission to bring this point up at a later stage.

Mr. SPEAKER: I am quite content with the suggestion of the right hon. leader of the Opposition on that point.

Mr. J. A. ROBB (Huntingdon) moved:

That all the words after "that" in the main motion be struck out, and the following substituted therefor:

"Inasmuch as cotton jute, or paper sacks, when containing flour, now enter Canada from the United States free of duty, and inasmuch as Canadian millers employing Canadian labour are handicapped because they are compelled to pay on empty sacks and bags, a duty of 27½% on cotton and jute bags and sacks, and a duty of 35% on paper sacks. This House is of the opinion that such unfair discrimination should be removed, therefore it is resolved that in the opinion of this House, cotton and jute bags

and sacks and paper sacks, when imported by millers for use in their own mills should be free of duty."

He said: Mr. Speaker, the amendment of mine which you ruled out of order was of greater importance to my constituents than that which I now move, and I would have much preferred had the House had an opportunity of discussing that amendment. Had I been considering my own business alone, perhaps I should not be so strongly in favour of free bran and shorts; but representing an agricultural constituency as I do, where the supplies of bran and shorts are used for the production of milk, cream, butter and cheese, and having in view the interest of producers in these lines throughout the country, I submit the present resolution. Owing to the recent Order in Council conditions are rapidly arising under which the farmers, especially those of eastern Canada, will be compelled to pay much more for their feedstuffs than they should pay. This resolution is necessary because in the revision of the United States tariff, the so-called Underwood tariff, included clause 644, which names certain articles as on the free list. That clause is as follows:

Wheat, wheat flour, semolina, and other wheat products not specially provided for in this section, Provided, That wheat shall be subject to a duty of ten cents per bushel, that wheat flour shall be subject to a duty of 45 cents per barrel of 196 pounds; and seminola and other products of wheat, not specially provided for in this section, 10 per centum ad valorem, when imported directly or indirectly, from a country, dependency, or other subdivision of government, which imposes a duty on wheat or wheat flour or semolina imported from the United States.

This clause means that Canadian wheat is subject to a duty of ten cents a bushel on entering the markets of the United States, unless Canada accepts a proposition prepared in Washington without consulting Ottawa, a proposition altogether different from the much-abused Fielding-Knox proposition of 1911. It gives United States millers special privileges in the Canadian markets, privileges which, in my judgment, will ultimately result in reduced production of flour in this country, and consequently reduced production of the bran and shorts so necessary for the farmers of eastern Canada. Under the proposition of 1911 precaution was taken not to interfere in any way with manufacturing in Canada, and especially was this precaution taken with respect to our milling industry, for a duty of fifty cents a barrel on flour was provided, which enabled the Canadian millers, in a measure, to offset the increased cost of bags in Canada as compared with the United States. The Canadian miller had a protection of fifty cents a barrel in a market that was growing at the rate of one new flour mill of a thousand barrels a day every year, and consequently there was a steadily increasing production of bran and shorts. It may be interesting for the House to know that while in 1895 Canada exported less than 250,000 barrels of flour, in 1910 our exports reached 3,000,000 barrels, and in 1915-16, 7,426,000 barrels.

In taking the position that the recent Order in Council will be injurious to Canadian millers, and consequently will lessen the supply of bran and shorts for the stock feeders of Canada, I am in good company. On reference to Hansard of 1916, I find that in the debate on a resolution presented by my hon. friend from Assiniboia (Mr. Turriff), which was opposed by the Government, the Finance Minister (Sir Thomas White) expressed about the same views on this question as I do. I may say quite frankly, I was never very much enthused over the proposition to admit our wheat to the United States on terms dictated by Washington. I am in favour of free wheat and of free grain generally; I am in favour of the proposition as presented in 1911. If there was any classes of our community who were "in on velvet" in that proposition, they were the Canadian farmers and the Canadian millers. But the present Order in Council is altogether different. Let me call to the attention of the House the views of the Finance Minister as expressed in the debate to which I have referred and reported in Hansard of 1916, at page 870:

Then we have had petitions from mixed farmers. The mixed farmers say that bran and offal are more expensive in the United States than here and that consequently, if this went into effect, both in the Northwest and Ontario the farmer would have to pay more for his bran and offal. It is put forward also that if we took the step contemplated by this resolution the milling industry would certainly not be extended into the Northwest. I have given that matter as careful consideration as I think I ever gave a question in my life, and I have come to the conclusion that if this were done the Canadian milling industry would not be extended further into the Northwest for this reason, that the markets lie to the east and south and while the milling would be done in Canada east of Winnipeg, to the extent that our millers might be able to carry it on with American competition, there is no likelihood, so far as we can judge at present, of an extension to the Canadian Northwest of the milling industry. I need not tell hon. members that upon the milling industry mixed farming largely depends for its well being. The offal, the bran which the farmers use for the rearing

of their livestock, is of supreme importance to the farming community and this proposed change would have an important bearing upon the supply of bran and offal for the rearing of stock by those engaged in the mixed farming industry. I think the small miller would probably disappear and that the business of the large millers would be very seriously affected if not crippled, and that the extension of the milling industry in the Northwest would be prevented.

I think the Minister of Finance was on solid ground in 1916 when he advanced that argument. I may frankly say that the Canadian millers opposed the proposition of 1911. It was opposed by the Minister of Finance. We heard in this House arguments why, if Canada wanted to negotiate with Washington, we should not have sent down two old men, but these two old men made a better bargain for Canada than that which is presented in the recently passed Order in Council that has at last been put through after six years of apprenticeship. Every carload of flour that comes into this country from the United States bagged in cotton sacks brings in free of duty 875 yards of cotton, and the Government, in admitting this cotton free into Canada, admits the products of United States cotton bag manufacturers. If the Canadian miller who is employing Canadian labour wishes to import these bags, he is met at the customs house with a tax of 27½ per cent.

Mr. NESBITT: Plus 7½ per cent.

Mr. ROBB: No, 20 per cent and 7½ per cent. I have a quotation on bags from the Bemis Bag Company, manufacturing in St. Louis, Minneapolis, Kansas City and Winnipeg, and I find that the cost of bags is 8½ cents a barrel cheaper in the United States than in Canada. That means that on his flour bags the Canadian miller is discriminated against to the extent of $19.04 per car, and notwithstanding what my hon. friends say about the monopolistic millers, I wish to say that there have been millions of bags of flour sold in this country to Britain and her Allies during the last two years upon which the millers got little more than $20 a carload profit. That may be a surprising statement, but I know that flour has been sold at practically the commission going to the Allies of Great Britain on the other side, and it may be said that $20 is not very much on a carload of flour.

Let me point out to the Minister of Finance how it works with regard to bran and shorts. The Canadian miller is enabled by the tariff to put bran and shorts upon the markets of the United States, but when the Canadian farmer wishes to buy bran and shorts milled from Canadian wheat in United States mills, he is met at the customs house with a tariff of 25 per cent. Now, let us see how that works out. Bran at $30 a ton, with the duty of $7.50 per ton added, would cost $150 per carload duty. Canada, through its Government, says to the eastern farmer: for every car of bran you bring in here from the United States you must give us one of your best cows, and only when you have done so can you unload your car of bran. How can we expect the eastern farmer to increase the production of butter and cheese when he is met with such a tax upon the feed he requires for his animals? The Government recognize that bran and shorts are very important to the farming industry. I imagine that every hon. member in this House recently received from the Department of Agriculture special circulars Nos. 7 and 8 in which the department urged the farmers to feed more bran and shorts to their live stock. The Department of Agriculture is urging the farmers to feed bran and shorts and the Department of Finance is placing an additional tax on bran and shorts coming into Canada.

4 p.m.

Mr. EDWARDS: How does the price of bran and shorts in Canada compare with the price on the other side of the line?

Mr. ROBB: The price of bran at Buffalo on the 29th May, as quoted, was $32.50 and on the same day it was quoted at from $36 to $38 in Toronto. The price in Boston was $34.50 and the same quotation would apply to Montreal as to Toronto. The shorts are a little higher, the spread being greater in Canada than in the United States.

Sir THOMAS WHITE: What about the freight?

Mr. ROBB: As I understand, Boston freight points are $2 a ton over Buffalo and Buffalo freight points are just about the same as Toronto freight points. I know that upon wheat the freight rates to Port Colborne and Buffalo are exactly the same and I imagine the same applies to bran and shorts. Under the present tariff arrangements we are practically subsidizing the Canadian miller to export his product. He can buy bags cheaper in the United States, bring these bags into Canada, fill them with Canadian bran and shorts and export them and the Government gives him a rebate of 99 per cent of duty paid. I find here a quotation on bags for a carload of bran at $49.60. The duty is $13.40 and the refund,

if the bran and shorts are shipped out of the country, is $12.25; in other words, we have now a policy in Canada whereby we are subsidizing the Canadian miller to the extent of 60 cents a ton to put his bran and shorts out of the country. That is not an unfair way of presenting it because that is exactly the way it works out. Bran costing $30 a ton, when it is imported from the United States, pays a duty of $7.50 a ton. The Canadian miller can get his bran into the United States free. There is nothing to hinder him from putting out bran enough to create a scarcity in this country and to hold up the price to the Canadian feeder to the extent of $6 a ton over what it is in the United States. On this ground I would plead with the Minister of Finance to carefully reconsider the matter and put bran and shorts on the free list. If the Canadian miller is to maintain his output on the basis of last year, the minister must make some tariff changes. He must put cotton, jute and paper bags and flour milling machinery on the free list or what he predicted in 1916 will come true sooner than he thinks.

Who is going to build a mill anywhere in Canada when he can buy bags to sack his flour cheaper in the United States? Who will build a mill in Canada anyway when he can build it much cheaper in the United States? So I say to the Minister of Finance that if the farmers of eastern Canada are to have a plentiful supply of bran and shorts for their cattle, and if the Canadian milling business is to continue to prosper, there must be some tariff changes.

Mr. EDWARDS: Has my hon. friend the figures showing the shipments of bran and shorts both ways between the United States and Canada?

Mr. ROBB: No.

Mr. E. W. NESBITT (North Oxford): I do not think it should require any argument to show the Minister of Finance that what my hon. friend (Mr. Robb) has just said is absolutely correct. It is absolutely unfair in the first place to make the miller pay a duty on his containers as against the American miller, who is not paying any duty on his containers. Bags can be purchased cheaper in the United States than here, and the Canadian miller has to pay a duty on them coming into Canada. The figures given by the hon. member for Huntingdon are not at all exaggerated. It is also unfair to ask us in Ontario, where more animal foodstuffs are fed than in any other part of Canada, to pay a duty on bran and shorts.

[Mr. Robb.]

We want to have an open market for bran and shorts necessarily, and to get the feed as cheaply as we can. Before the removal of the duty on flour, etc., that did not make so much difference, but now that the duty has been removed, I am quite sure it does not require an argument to show the Minister of Finance, with his ability, that we should have free of duty the articles that my hon. friend has mentioned this afternoon.

Sir THOMAS WHITE: My hon. friend from Huntingdon (Mr Robb) has managed, in the course of his remarks, to speak to the amendment which was ruled out of order, as well as to the amendment which is in order. I hope that I may be pardoned, therefore, if I reply very briefly to it—briefly because he has intimated that he may raise the question upon another occasion. He has referred to my remarks upon the subject of free wheat in 1916. The remarks which I made then, were, I believe, sound, having regard to the conditions which existed at that time. It is not my intention to go over the arguments which I put forward during the present session in support of the action taken by the Government in putting wheat upon the free list. It will be sufficient to say that the conditions now are fundamentally different from the conditions which prevailed in 1916 when I made the Budget speech referred to. We on this side of the House are just as much interested as my hon. friend from Huntingdon or the hon. member who has just taken his seat (Mr. Nesbitt) in the live stock industry, and we have shown it during our tenure of office by measures brought down for its development and increase. This Government may be depended upon to take such action at any time as may be necessary if the live stock industry of this country is in any way threatened with injury. I desire to say this: that bran and shorts have been and are to-day cheaper in Canada than in the United States. The hon. member for Huntingdon on the former occasion when he introduced this matter to the House during this session admitted it; he admitted that the prices in the United States were higher than in Canada. If that is so, it would not appear to me that there need be much apprehension on the part of the live stock industry in Canada that bran and shorts are going to flow from the United States into Canada.

Mr. ROBB: The Finance Minister is quite correct; I did say that bran and shorts

were cheaper here than in the United States. But that was before the passage of this Order in Council.

Sir THOMAS WHITE: My hon. friend stated the matter fairly, and that was so, and it is so to-day. There may be local points at which bran or shorts are cheaper in the United States, although I do not know of any, but it must be borne in mind that freights play an important part in this matter. Take, for example, the district about Montreal served from the mills of Montreal. What about the freight rates? Any Canadian miller who desired to supply the United States market would have to pay freight rates on his bran and shorts going out of this country to the United States. I am informed that there are no traffic rates governing bran and shorts from Montreal. Consequently, so far as the Canadian farmer in that district in which my hon. friend is particularly interested is concerned, there would seem to be no reason why bran and shorts should be dearer than across the line, and I am satisfied that the contrary is the fact. I have here a statistical statement published under the authority of the Secretary of Agriculture in the United States showing that for the years 1915, 1916 and 1917, the price as a whole of bran in the United States, per ton was, in 1915, $28.96; in 1916, $26.05, and in 1917, $38.33. For the State of Maine, the prices were: in 1915, $31.70; in 1916, $29.70 and in 1917, $41.80. Whereas in Canada the price of bran at Toronto was on March 15, 1915, $28, which was lower than in the State of Maine and lower than the average price in the whole United States; it was $24 in 1916, which was lower than the price in the State of Maine and average price in the United States as a whole; and it was $37 in 1917, which was $1.33 lower than the average price in the United States; $4.80 lower than the price in the State of Maine; $3.60 lower than the price in New Hampshire, and $5.80 lower than in Massachusetts. The same is true with regard to other States, New York, Michigan and Minnesota, for which I have the prices here.

Mr. NESBITT: What was the price in Canada in 1917?

Sir THOMAS WHITE: The wholesale price was $37.

Mr. NESBITT: We never bought any in 1917 at that.

Sir THOMAS WHITE: That was at Toronto.

Mr. NESBITT: We never bought any at that price.

Sir THOMAS WHITE: My hon. friend is not a good buyer.

Mr. NESBITT: I cannot help that. I tell my hon. friend that we are good buyers in our section of the country.

Sir THOMAS WHITE: What an unfair position hon. gentlemen take upon this question. They say: We are in favour of free wheat, and we were in favour of it in 1915. But now that it has been adopted they say: By reason of your putting wheat upon the free list, bran and shorts go out of the country and the result is that the price will be higher to the Canadian farmer. Is that a consistent position for hon. gentlemen to take? The inference is that wheat should not have been put on the free list. As I said, if any situation should arise by which the livestock industry might be injured by reason of there being a duty on bran and shorts, this Government may be depended on to meet it as it would any other difficulty. The figures which I have put forward are correct, and the situation at present is a sound situation so far as the price of bran and shorts in Canada and the United States is concerned. My hon. friend stated the other day that he was a miller, but so great was his love for the farmers of his district that, notwithstanding it would be a very serious thing to him as a miller, he wanted the duty taken off bran and shorts. That day he was speaking for the farmers; to-day he comes forward as a friend of the millers, and he is sitting cheek by jowl with the hon. member for Richmond (Mr. Kyte), the avowed enemy of the millers in this House. Hardly a day passes that the hon. member for Richmond does not tell us of the tremendous profits made by millers, and he puts questions on the order paper asking the amount of excess profits we have taken from the miller. Yesterday I was able to show him that in the year 1915 we took from one milling company alone not less than $380,000. The member for Huntingdon says that the unfortunate miller will be ruined if the duty on cotton and jute bags and paper sacks is not removed. The whole discussion on free wheat which has agitated the House and the country for years past is now reduced to the monstrous injustice of the duty of 27½ per cent on cotton and jute bags and paper sacks. That is what we have come down to in the Budget debate. Let us discuss the matter on its merits.

My hon. friend says: why should the miller have to pay duty on cotton and jute bags and paper sacks? He says that the Canadian millers are in competition with the millers of the United States. So they are as to flour, which comes in free of duty. But flour, cotton and jute bags and paper sacks are not the only commodities that come in. The milling industry is concerned in the manufacture of other things besides flour. My hon. friend has paid no attention to the other commodities on which the millers of Canada have a substantial protection. What are they? Buckwheat flour, general tariff, one-half cent per pound and 7½ per cent war tax; corn flour, 25 per cent; rye flour, one-half cent per pound and 7½ per cent war tax; oatmeal, three-fifths of a cent per pound and 7½ per cent war tax; rolled oats, three-fifths of a cent per pound and 7½ per cent war tax; wheat germ meal, 25 per cent; bran, 25 per cent; feed, 25 per cent—and only wheat flour and semolina on the free list. The principle involved in the tariff is this: if there is a protection of 25 per cent, as there is in some of these cases, that duty has been determined upon with due regard among other things, to the duties that the manufacturer has to pay upon his material coming in. My hon. friend admits that the millers, of which he is one, are protected to the extent that I have stated. I submit that nothing has especially been brought to our attention which would warrant the Government in removing the duty from cotton and jute bags and paper sacks. This matter is of as little importance as any matter ever raised in a Budget debate. To show the House of how little importance it is, I point out that no miller in Canada, so far as I know, except the member for Huntingdon, has asked for the removal of the duty upon bags. My hon. friend says that the Canadian millers are in competition with the American millers. In the first place, they have the freights in their favour, I am informed that the cost of a 25 pound paper sack is 2 cents, of a 50 pound sack, about 4 cents, and of a cotton bag about 10 cents. In view of the protective duties which the millers enjoy upon their products other than flour, they have not asked us to take any action with regard to the duty upon bags. But the member for Huntingdon is so convinced that a grave injustice is being done the millers that he brings forward this resolution. If at a time of a revision of the tariff, good reason was shown for the reduction of these duties, the Government would consider the

situation. But this is not the time to consider it, nor has the Government been asked to consider it by any one except the member for Huntingdon. My hon. friend's motion, therefore, is very trifling and unimportant indeed. If the matter were of consequence, the millers would have brought it to the attention of the Finance Department.

I wish to call attention to another aspect of the case to which the member for Huntingdon has not adverted. Many industries in Canada are engaged in the manufacture of cotton and jute bags and paper sacks; they may be found in Winnipeg, Montreal, Toronto and other parts of Canada. These manufacturers have to pay duty upon the material which they import into Canada and upon all their machinery. Having regard to that fact, I think it would be most improper to remove the duties from their product. If, as I say, upon a general revision of the tariff and in the light of the circumstances then prevailing, it would be advisable for the Government to give consideration to the question of the duty upon these bags and sacks, the Government would do it, but in a proper way. It would have regard not only to the millers, but to the manufacturers of bags, some of whom are engaged in large industries. Consideration would be given also to the material which they import and to the conditions of their industry. That principle underlies the whole tariff and all the duties imposed by it.

I have shown that so far as bran and shorts are concerned, the Canadian farmer is not likely under present conditions to suffer from our action respecting free wheat. I have stated that if he does suffer, this Government can be depended upon to deal with the situation as its merits may warrant. I have shown also that the millers —I do not know that my hon. friend, although he is one of them, is authorized to speak for them all—have not deemed this matter of sufficient importance to bring it to the attention of the Finance Department. I have shown that they are protected under the tariff in respect of a great variety of their products. I have shown that the manufacturers of bags and paper sacks are interested in the duty upon these articles and that the matter should be dealt with, if it were advisable or necessary to deal with it, only upon a revision of the tariff. The amendment of the hon. member for Huntingdon should without hesitation be voted down, because it proceeds without

regard to the duty upon the products of millers other than flour and without any regard to the industrial interests of those engaged in the manufacture of paper bags. Moreover, I know of no industry in Canada that is enjoying a greater prosperity during the war than the milling industry.

My hon. friend asserts that the milling industry will be seriously injured if the Government does not take the duty off cotton and jute bags and paper sacks. It will be very interesting to see how the hon. member for Richmond (Mr. Kyte) votes on this question. I would like to know what he has to say as to this. He says that the millers are making such tremendous profits that the Government should take possession of the mills, and his desk-mate (Mr. Robb) says that the milling industry is suffering to such an extent that if we do not take the duty off bags, irreparable damage is going to accrue to that industry. It will be difficult for the hon. member for Huntingdon and the hon. member for Richmond to reconcile their views on the matter. The same remark applies to other hon. gentlemen who have spoken, not as the champions of the millers, but as their enemies. Some hon. gentlemen opposite have declared that this Government has been in a conspiracy with the western millers to prevent the farmers from getting a proper price for their wheat. The hon. member for Huntingdon now asks hon. gentlemen opposite to vote in favour of taking the duty off bags, a duty which is a source of revenue to this country in a time of war, and the reason he gives is that the milling industry is suffering. When we come to vote on this matter, we shall see how hon. gentlemen opposite are going to reconcile these two points of view, which, it seems to me, are almost irreconcilable.

I have dealt with the domestic business, and I have pointed out that the Canadian miller has the advantage of the local market which is always the best market. So far as concerns the export business, if the Canadian miller pays a duty on bags and fills those bags with Canadian flour and exports them to the United States or any other country, then, as my hon. friend from Richmond has stated, that miller receives a drawback of 99 per cent of the duty paid on those bags. Therefore, as regards the export business, he is on a par with other manufacturers of flour outside of Canada. It would seem to me that the hon. member is attaching an entirely disproportionate amount of importance to this matter, and with all due respect I think he should not have taken the important step, although it is quite within his right, of moving what is really a vote of want of confidence in this Government, in respect of duties in regard to which, up to this date, no complaint has been made by any miller in Canada except himself.

Mr. HUGH GUTHRIE (South Wellington): Mr. Speaker, the Minister of Finance has not dealt with this matter in the same spirit in which my hon. friend from Huntingdon introduced it, nor has he understood the spirit in which my hon. friend brought it before the House. It was the intention of my hon. friend to bring this question up directly as a question of the free entry into Canada of bran and shorts, and on account of difficulties which arose under the rules of this House in regard to bringing up that motion, the amendment was launched in its present form, practically in order to get over a technicality. I think my hon. friend understood that. If he did not, in my judgment, he should have.

Sir THOMAS WHITE: Will my hon. friend allow me to state this? So far as I know there are two amendments before the House, one unconnected with the other, one ruled out of order, the other ruled to be in order. The latter is the one that we are discussing.

Mr. GUTHRIE: That is the one I purpose discussing. What I say is that the hon. member for Huntingdon, at the beginning of his remarks, made it clear to any one who desired to understand him, that he was bringing this matter before the House, not in the interest of the millers, but in the interest of the farming and dairying community in the county of Huntingdon. Had the hon. member been pleading his own case, I do not know that I would be willing to justify it.

Sir THOMAS WHITE: Will my hon. friend be good enough to read the amendment?

Mr. GUTHRIE: I heard the speech of the hon. member.

Sir THOMAS WHITE: The amendment is based on unfair discrimination against the millers.

Mr. GUTHRIE: I heard the amendment read, and I heard the speech of my hon. friend from Huntingdon, and I think the Minister of Finance understood it, and if he did not do so, it is because he did not

pay any attention to it. The hon. member's speech was base entirely upon the fact that under the present tariff items there was an unjust discrimination against the farmers of Ontario, and no special plea was made in favour of the millers. Had the previous amendment not been ruled out of order, the present amendment would not have been moved. The Minister of Finance says there is no demand for any change in regard to these items. I will grant that there is no demand from the millers, but surely my hon. friend will not say he has no demand from the farmers of Ontario.

Sir THOMAS WHITE: None at all.

Mr. GUTHRIE: Well, the members in this House who represent the farmers of Ontario have certainly made strenuous demands upon the Minister of Finance, and have brought the matter to his attention as forcibly as we have been able to do so, and still the minister sits in his seat and does not intimate that there will be any relief. With all due respect to my hon. friend and to his great ability as a financier, I have this to say: that he has made a mistake in not making wheat products free as well as wheat. That is his mistake and he can rectify it without a general revision of the tariff. I will agree with him that this is no time for a general revision of the tariff, but he can rectify this slight mistake in regard to making wheat products free, just as last session he rectified what he considered an error in regard to apples. This is the situation in a nutshell. I cannot accept the Minister of Finance's statement in regard to prices. What he has given us is the average price for the year, and he has quoted the average prices in 1915, 1916 and 1917 up to the present date. The minister does not buy on average prices; the farmers of Ontario get the daily paper; they have the telephone, and when the opportunity comes to buy they do so, and they buy not on average prices, but the day's price. I believe the figures which I submitted to the House a day or two ago, and which I will repeat to the House now, are absolutely correct. I was spoken to on Saturday last by farmers on the question of bran and shorts for feed; I made the inquiry, and I know that the prices which I am going to give are correct. The prices on Saturday last, as between Toronto and Buffalo, were as follows:—

	Buffalo.	Toronto.
Bran	$32.50	$38.00
Shorts or middlings	36.75	44.00 to $50.00

Those were the figures on the 29th of this month. I take the Montreal Gazette for to-day, and I will give to-day's figures for Toronto: Toronto, mill feed prices, bran, $37 per ton; shorts, $43 per ton. I cannot give the Buffalo figures for to-day. The Toronto figures are per ton on track, Montreal freights, which applies to all points between North Bay and Toronto. There is, therefore, four or five dollars a ton difference.

Sir THOMAS WHITE: What is the difference along the boundary line east of Toronto? This tariff applies to the whole of Canada.

Mr. GUTHRIE: I do not understand the minister's question.

Sir THOMAS WHITE: My hon. friend has quoted prices at Buffalo and Toronto. Those are only two points. What about Montreal and places in the adjoining states?

Mr. GUTHRIE: I will give the prices at Boston and Montreal.

Sir THOMAS WHITE: And the freight rates.

Mr. GUTHRIE: Yes. At Boston on the 29th day of May bran was quoted at $34.50 per ton or $2 more than the price at Buffalo. Middlings were quoted at $38.75 per ton or $2 more than the price at Buffalo. On the same day the Montreal prices were bran, $38; shorts, or middlings, $44, with a spread up to $50. The freight rates are those which pertain to all points between North Bay and Toronto. I am not, however, going on the day's prices or on the prices given in the brokers' sheets. Men have come to me as recently as four or five days ago and have said: You are going to Ottawa, try, if possible, to get bran and shorts put on the free list. They know the situation and it has been brought to my hon. friend's attention by many hon. members on this side of the House so forcibly that he must have some reason for refusing to grant our request. Surely he can see that by making bran and shorts free, he is not going to injure anybody and he is going to help a very large number of people throughout the Dominion. Then why not take that course? See what an anomalous situation he has placed us in. We allow the wheat to go into the United States free, and yet we cannot get the bran from that wheat back into this country without paying a duty of 25 per cent. Our own wheat and our own bran go to the United States free, but we cannot get our own bran and our own shorts and middlings back free.

Mr. MORPHY: Is it not a fact that tremendous quantities of soft wheat come back to the Canadian miller from the Toledo district in Ohio, bringing the bran with it, under the free wheat regulation?

Mr. GUTHRIE: But there is not enough of it coming back, and the price shows that if the duty were removed $4 or $5 a ton would be the advantage the Canadian farmer would derive from it. As the hon. member for Huntingdon has pointed out, by reason of the drawback allowed on bags, there is a bonus of 60 cents a ton to the Canadian miller who exports his bran and shorts to the United States instead of selling them in Canada. This is a wrong that should be righted, and the Finance Minister with an assistant could right it in half an hour. We are not asking him to revise the tariff. We are simply pleading for a chance for the Canadian farmer to get cheaper feed for his hogs and for his cattle. As a matter of revenue this item amounts to nothing. I do not know whether the millers have asked for this or not, but whether or not, the farmers should be granted this relief; it is not going to hurt the millers. The figures I have given to-day are correct, or they were on the 29th. My hon. friend from Huntingdon presented the case in a very striking manner when he said that a man who imports a carload of feed has to pay in duty the price of the best cow in his herd. Under the strained conditions that exist to-day, $150 is a pretty heavy tax for a man to pay who is feeding dairy cattle to be used as food for ourselves and our Allies.

I know that this amendment is practically a motion of want of confidence, and perhaps it is not the most appropriate way of bringing the matter to the attention of the House, but if the Finance Minister will assure us that he will study this matter out and give the farmers this relief, not next year, but next month, or even this month, we shall all be satisfied on this side of the House, and it will be one step in the right direction.

Mr. J. W. EDWARDS (Frontenac): I am prepared to give my hearty support to any movement which has a tendency to reduce the price of mill feed to our farmers. But the motion which is before the House is not calculated to do that. Notwithstanding what my hon. friend from South Wellington (Mr. Guthrie) has said, this motion is intended for the benefit of the millers of this country. It reads:

That inasmuch as cotton jute, or paper sacks, when containing flour, now enter Canada from the United States free of duty, and inasmuch as Canadian millers—

Canadian millers, you will observe, not Canadian farmers.

—inasmuch as Canadian millers employing Canadian labour are handicapped because they are compelled to pay on empty sacks and bags, a duty of 27½ per cent on cotton and jute bags and sacks, and a duty of 35 per cent on paper sacks, this House is of the opinion that such unfair discrimination should be removed: Therefore it is resolved that in the opinion of this House, cotton and jute bags and sacks and paper sacks, when imported by millers for use in their own mills, should be free of duty.

The farmer or agriculturalist is not mentioned from beginning to end of that amendment, nor is there any reference to him either direct or indirect, nor to the consumer either. It deals with the millers entirely, and in my humble judgment the millers in this country are not suffering, and are not entitled to any special consideration from this House. When the hon. member for Huntingdon was on his feet, I asked him for the import and export figures as between Canada and the United States for bran and mill feed, but he did not have them. I have now before me the figures for the years 1915 and 1916, which show that our imports from the United States of bran, mill feed, etc., amounted to $47,778 in 1915, and to $43,700 in 1916. Our exports of bran to the United States amounted to $778,626 in 1915, and to $1,602,158 in 1916. The Finance Minister this afternoon has given us the price of bran and mill feed in Canada and the United States for the past three years, and the figures indicate that the prices in Canada for the last three years have been uniformly lower than on the other side of the line. I think my hon. friend from Huntingdon admitted that. The hon. member for South Wellington has also given us the figures for one or two days at one or two points in the United States and Canada.

Mr. GUTHRIE: Those were governing points, both for Canada and the United States.

Mr. EDWARDS: We have the figures of the hon. member for one or two days at what he says were governing points in this country and the United States. In addition to that, and the statement of the Minister of Finance, we have our import and export figures for bran and mill feed, as between this country and the United States. If the hon. member for South Wellington is right in his statement that bran and shorts are

cheaper on the other side of the line, then why in the name of heaven do the people of the United States, who are always supposed to have a pretty strong grip on the dollar, come over here and pay a higher price for our bran? We cannot overlook our export and import figures, and they emphatically indicate that the price on the other side of the line is higher than the price in Canada.

Mr. GUTHRIE: Then why maintain the duty?

Mr. EDWARDS: I have given these figures in controversion of what my hon. friend has said, and they indicate that the statement of the Minister of Finance is to be taken in preference to the statement of the hon. member from South Wellington.

Mr. GUTHRIE: Then why maintain the duty?

Mr. EDWARDS: Let me give the hon. member a reason why we should not interfere with the duty—a reason which he applauded until he almost raised blisters on his hands when the matter came up in the session of 1912-1913. Let me quote the words of his own leader, Sir Wilfrid Laurier, uttered in the House on that occasion (Hansard p. 30):

> Once a duty is imposed that duty should not lightly be interfered with.

He was referring to the duty on cement. The hon. member for South Wellington supported that; he said that it was perfectly right. The motion arose out of the Government's determination to cut the duty on cement in two. When hon. gentlemen opposite were in power, they did not show the farmers of this country much consideration in the matter of cement, which is used by our farmers all over the country, for they immediately raised the duty on cement coming from the United States. They immediately increased the duty on cement coming into this country from the United States. Under the National Policy of the Conservative party there had been a duty on cement, but bags containing the cement were free. But that did not suit hon. gentlemen opposite. Supported by the hon. member for South Wellington, they not only increased the duty on cement, but put a special duty on the bags containing cement. Why? Because they had such gentlemen as Senator Edwards and others in the cement merger, who are making hundreds of thousands of dollars out of the farmers by squeezing them on the price of cement. In this and scores of other cases that I could mention, where their friends are affected, their views about customs duties do not amount to a snap of your finger. If their friends can reap the benefit and take money from the pockets of the people, they will arrange the duties accordingly.

Mr. GUTHRIE: Is the hon. member (Mr. Edwards) in favour of removing or of maintaining the duty on bran and shorts?

Mr. EDWARDS: The hon. member (Mr. Guthrie) need not smile as if he thought he had asked me something that I would not answer. Hon. gentlemen opposite, including the hon. gentleman from Edmonton (Mr. Oliver) might smile when putting a question for information to hon. members on this side if we were like themselves and had as many policies as there are members. Every person knows that the Liberal party is a conglomerate, so far as their tariff policy is concerned of—

Mr. OLIVER: Not Nationalist and Tory.

Mr. EDWARDS: Where did the Nationalists learn their lesson? Let me tell the hon. member for Edmonton there is not a treacherous Nationalist utterance by Bourassa, Lavergne, or any other in the province of Quebec, but has its counterpart in the utterances of his own leader at different times in his career.

Mr. OLIVER: May I ask the hon. member to permit me to say that what he has stated is incorrect in substance and in fact?

Mr. EDWARDS: I do not know that the fact that the hon. member for Edmonton says that my statement is incorrect will materially alter the opinions of the people of this country. My word in this House or out of it is as good as his, and my record is as good as his. Now, to revert to the question asked by the hon. member for South Wellington (Mr. Guthrie). Could anything be plainer or fairer than the statement made by the Minister of Finance (Sir Thomas White), that as soon as this Government perceives that the farmers can be benefited by a change of duties in regard to bran and shorts he is ready and willing to give that change? And he states the reason why there is no necessity for that change now—that the prices of bran and shorts in the United States are higher today than the prices on this side of the line. That is perfectly satisfactory to me, and I think that in so stating I answer the hon. gentleman. I am in favour of removing the

duty on bran and shorts as soon as it can be shown that by so doing we shall benefit the farmers of this country, but I am not in favour of it merely because some hon. gentleman gets up and produces figures, or makes statements, which, in my humble judgment, when coming from the other side of this House, may always be taken with a liberal supply of salt. The hon. member for South Wellington, speaking in this House no longer ago than the day before yesterday, said:—

> I do not believe at any time in the haphazard revision of the tariff. I think that such a revision should be gone about systematically and scientifically. I think the tariff should be revised from time to time, and I hope that when the revision does take place, after hostilities are closed, we will be able to revise it downward. But I think that of all times this is about the most inopportune to disturb the industries and business of this country.

I agree with him; in fact, I might have quoted the words of the hon. member as an answer to the question that he asked me a moment ago; I went a little further in stating my opinion on this question of the duty on bran and shorts. But have these gentlemen any right to get up, and, under the cover of a motion intended for the benefit of the millers only, pose as the friends of the farmer? I say they have not. The whole course of the Liberal party in this country is one showing absolute disregard for the farmers except to try and hoodwink and blindfold them. Take their position in regard to farm implements, for instance. We had the spectacle here the other day of the hon. member for Assiniboia (Mr. Turriff), and the hon. member for Moosejaw (Mr. Knowles) advocating the removal of the duty on farm implements. Yet, a few years ago, when the proposition was made by the hon. member for Souris (Mr. Schaffner) to reduce the duty on these implements, the hon. member for Assiniboia, assuming to speak for western Canada, said that the motion of the hon. member for Souris ought not to be approved. And the hon. member for Moosejaw took the same position. But that is not all. These hon. gentlemen when in office did make a change which was nominally a slight reduction of the duty on agricultural implements. The duty on binders at that time was 20 per cent, and they cut it down to 17½ per cent. But at the same time they went to the manufacturers and said: You need not be a particle scared; we know what we are doing; we are simply doing this to satisfy the farmers, but we will fix it all right for you. And so they did. When the duty was 20 per cent the valuation for duty of a binder was $80, so that the duty was $16. But when they reduced the duty to 17½ per cent, they raised the valuation to $100, so that the duty collected was $17.50. That is the way they played the game of the manufacturers while pretending to the farmers that they were going to cut off the head of protection and trample on its body —that they were going to wade in gore, so far as protection was concerned. The whole object evidently was to hoodwink the farmers just the same as in the case of cement. They raved about the cement duty in their speeches in one part of the country, pretending that they would meet the wishes of the farmers. But they framed their tariff in such a way as to put hundreds of thousands of dollars into the pockets of Senator Edwards and other Grit heelers—excuse me, I would rather say, partisans of their own—whom they wanted to please. As a friend near me suggests, that is the policy they have pursued for fifteen years, a policy which differs in every part of the country. There are 221 constituencies in this country, and for the Liberal party there are 221 different tariff policies. That party, so far as tariff matters are concerned, is a thing of shreds and patches.

Down in one part of the country they want free potatoes. The hon. member for Carleton (Mr. Carvell) is for free potatoes, or he would fix the price of potatoes but only after he had sold his. Pure jealousy! He would put the price of potatoes down to $1.75 a bag when he had not any more to sell because he did not want his neighbours to get $3 or $2.50 just as he wanted to fix the price of hay. Then these hon. gentlemen come and plead that they are the friends of the farmer. I represent an agricultural constituency. I am certainly satisfied, representing the farmers of my part of the country, with the stand that the Minister of Finance has taken on this matter and the assurance that he has given the House this afternoon. I am satisfied that he will deal with this matter in the interest of the farmers as well as all other classes of the community fairly and at the proper time.

Mr. D. D. McKENZIE (North Cape Breton): Mr. Speaker, I have listened very carefully to the hon. member for Frontenac (Mr. Edwards). He started out by being very careful to read the motion that was put before you, Sir. I thought that for once in his life he was going to hew to

the line and stick closely to what is really the amendment before the Chair. But he was not very long speaking when the old spirit of slander crept upon him and he began to swing from the latitude which he had laid out for himself. It was not long before we heard him talking about Bourassa and Lavergne and all that stuff in which he delights to revel. Let me point out, by way of reply, some thoughts that ran through my mind as he was speaking about Bourassa and Lavergne. It is not very long ago that Bourassa was saying in his paper and on the platform that he had had enough of the English and England. He wanted nothing to do with them —not a man, not a dollar to support their cause or to forward English ideas. When he was, in his paper and on the platform promulgating his ideas in this country—

Mr. MIDDLEBRO: Mr. Speaker, I rise to a point of order. I would like to know what Bourassa has to do with the duty on jute bags.

Mr. SPEAKER: The House will realize that I am somewhat embarrassed in that apparently the hon. member for North Cape Breton (Mr. McKenzie) is traversing something that was said by the hon. member for Frontenac (Mr. Edwards) at a moment when I was not in the Chair. If the hon. member feels constrained to traverse the remarks of the hon. member for Frontenac, I would ask him to adhere as closely as possible to the subject before the House.

Mr. EDWARDS: I only spoke in reply to an interjection of the hon. member for Edmonton (Mr. Oliver).

Mr. McKENZIE: It is highly characteristic of the hon. gentleman who takes the objection (Mr. Middlebro). The chief whip was here during the divergence from the subject of debate and heard the expressions used by the hon. member for Frontenac and other speakers. That was perfectly all right, there was no harm in it.

5 p.m.

Rules to the winds, proper order to the dogs, as long as it is in the interest of the party of which he is a member, but the moment any one on this side of the House undertakes to reply to his observations, it is irregular and we must be called to order by the hon. member!

Mr. MIDDLEBRO: Does the hon. member not know that the remarks came from the hon. member for Frontenac because of a direct question asked him from the other side of the House?

Mr. McKENZIE: It does not make the slightest difference what gives rise to the discussion once it is permitted to go on. Once the observations are made, I submit there ought to be an opportunity given to reply to them. We on this side of the House are not to be taunted with Bourassaism, Lavergneism and Nationalism. It would be well for the hon. member for Frontenac if he could once get clear of the product of such ideas and doctrines as have been put forward by these gentlemen, and sweep his own house clean. If he got rid of the supporters of Nationalism in his own party and in the Government he would not have a corporal's guard in this House. If the hon. gentleman shows that he has the courage of his convictions and will declare himself to those he points out as traitors because they are Nationalists and friends of Bourassa, I will have the greatest respect for any statements he makes about matters of this kind. But, when Bourassa was at his worst, in his speeches, his papers and his propaganda in 1911, the great province of Ontario was financing him.

Mr. LALOR: I think the hon. gentleman is making a speech upon Nationalism and not on the question before the House, and I again call your attention, Mr. Speaker, to the fact that the hon. member for Frontenac (Mr. Edwards) only replied to a question put to him by the hon. member for Edmonton (Mr. Oliver).

Mr. OLIVER: Will the hon. member (Mr. Lalor) say what the question was? I have no recollection of asking a question on any subject.

Mr. LALOR: It was not a question but an interjection. The hon. member raised the point, and the hon. member for Frontenac replied.

Mr. OLIVER: I raised no point and asked no question.

Mr. SPEAKER: The point of order is well taken, but if latitude is allowed to one hon. member, another hon. member on the other side should not be unduly restricted in reply. I ask the hon. member—

Mr. McKENZIE: I have almost finished my remarks.

Mr. SPEAKER: I ask the hon. member not to pursue that subject because it may lead to acrimonious discussion, detrimental

to the orderly and proper consideration of the question before the House.

Mr. McKENZIE: I am not in the least degree acrimonious nor do I feel out of temper in the slightest.

Sir GEORGE FOSTER: What would you be if you tried to be acrimonious?

Mr. McKENZIE: I did not quite hear the observation of the Minister of Trade and Commerce. If it is for the winning of the war I would be pleased to listen but if not it does not matter, I suppose. I have not often the honour of being interrupted by the Minister of Trade and Commerce and I am sorry I did not hear what he said because I would like respectfully to reply to him. But what I was pointing out—and I will be brief and cut it down—is that I am sick and tired of supporters of the Government, whenever they get on their feet, no matter what the subject is, turning to Nationalism and trying to represent that the origin and beginning and genesis of Nationalism is with the right hon. gentleman who leads the Opposition (Sir Wilfrid Laurier). If Nationalism is bad, if Bourassaism is bad, if Lavergneism is bad, why did they take them to their hearts in 1911?

Some Hon. MEMBERS: Order.

Mr. McKENZIE: Why are they hugging Nationalism to their hearts to-day and glad to have it?

Some hon. MEMBERS: Order, order.

Mr. McKENZIE: They live with it.

Some hon. MEMBERS: Order.

Mr. McKENZIE: They live with it; they try to keep it up; they sleep with it; they tried to breed it in 1911 and they have tried to breed it again. Now, that is all I propose to say on that subject. I promise my hon. friends opposite that every time they bring up this subject we will have something to say about it.

The resolution now before the House is a sort of double barrelled arrangement. There is a resolution that is said to be out of order and another resolution that is in order, and we have been to some extent discussing the one that is out of order on the one that is in order. I am not breaking my neck in trying to bring any great favours to the millers of this country unless they will show some fruit worthy of repentance and some fruit worthy of being cuddled and cared for by the Government of this country and by this Parliament. In the part of the country from which I come, we had always hoped that when the West was developed, when we had given them plenty of railways, when we had plenty of wheat, we in the far East, who are practically non-producers of flour, would have cheap flour and cheaper living. In Nova Scotia we produce large quantities of coal, iron, steel, fish, lumber and other materials, but we do not produce enough flour to feed our people. We therefore are very much interested in cheap flour. The Minister of Trade and Commerce and the Minister of Finance have done nothing to help out the situation in reference to the high cost of living and the cost of the product of the miller. The Minister of Finance makes the proud boast that he took $238,000 from one milling concern in Ontario. That milling concern immediately started to tax the fisherman, the lumberman, the farmer of the province of Nova Scotia and of other provinces until it could get back three times the amount which the minister is so proud of having taken from it. The hon. member for Provencher (Mr. Molloy) the other day informed us that the flour which is to-day bought in Sydney and by the working classes of Glace Bay, Sydney Mines and North Sydney at $17 a barrel was ground of wheat that was bought at $1.70 a bushel.

Mr. OLIVER: Less than that.

Mr. McKENZIE: And less than that. I think that the people of this country have a right to ask the Minister of Trade and Commerce not to allow the millers to pile on this enormous profit. Why does he permit the millers to rob the people of Canada by selling flour at $17 a barrel that could have been sold at $8.50 or $9. I want to point out to the Minister of Finance that the money he takes from the millers and other big concerns is simply taxed back by them upon the poor men of this country, and that it is a fallacy to say that it is taken from the wealthy men. We had an illustration of the same thing in the United States a few years ago. When that great financier Rockefeller gave $25,000,000 for the purposes of education to the federal treasury of the United States, he immediately turned around and added half a cent to the price of oil, and in less than a fortnight he had his $25,000,000 back. That is what is happening in the case of the millers, the money that he takes from them they tax back upon the poor people of this country. That is the explanation of flour selling at $17 a barrel to-day. If any favours are to be

granted to the millers we, the common people of this country who have to buy the products of the millers, would like to see that we are getting some benefit from it. Something should be done by the Government for the relief of the poor man who is earning $2 or $2.50 a day, who finds it almost impossible to pay $17 for flour, 50 or 52 cents a pound for butter, and 40 or 50 cents a pound for beef. He cannot pay that out of the miserable pittance he receives in wages. I ask the minister to come to the rescue of the poor people and relieve them from the horrible and unbearable burdens which they have to carry by reason of the high cost of living, the exorbitant prices of many of the things they consume.

Mr. LALOR: Does the hon. member think that free flour has effected any relief to the people of this country?

Mr. McKENZIE: I am not talking about the tariff on flour. I say that the Government of this country, like those of other countries, should forbid the owner of flour, whether a miller or a middleman, from selling it at an exorbitant price. I know nothing to prevent the flour owners in the United States combining with the flour owners in this country and imposing a similar burden on the poor of the two nations. We are looking for some measure of real relief, not the haphazard measures that have been taken by this Government.

Mr. SPEAKER: A reply is allowed to a member who has made a substantive motion before the House, but not to a member who has moved an amendment. It is understood that the hon. member for Huntingdon is to be allowed the privilege of a reply by the consent of the House and in accord with an arrangement previously come to.

Mr. J. A. ROBB (Huntingdon): The Finance Minister said that I had introduced a resolution to help the millers, and then went on to point out that I made a speech to help the farmers in connection with free bran and shorts. But later on both the Minister of Finance and the member for Frontenac (Mr. Edwards) laid stress on the fact that all our efforts this afternoon were to advance the cause of the millers, notwithstanding that the Minister of Finance had said that our speeches were altogether in favour of free bran and shorts. I am very much encouraged with the statements of the Finance Minister and the member for Frontenac. The Minister of Finance has said that the farmers may trust this Government to do what is fair and to put them in a right position, and the member for Frontenac has also said that just as soon as it can be proved conclusively that the farmers are wronged the Government will make it right. I want to explain the effect of free wheat on these prices. The Order in Council was passed on the 16th April. On the 14th April bran was worth $43.50 a ton in Buffalo and $38 a ton in Montreal and Toronto. On the 28th April it was $43.25 in Buffalo and $43 in Montreal. There was no advance in the United States, rather a reduction, but an advance of $5 a ton in Canada. That is what I complain of exactly. The Minister of Finance has given quotations for 1915, 1916 and 1917. He is living in the dead past. He gave quotations on bran and shorts under conditions that existed before they passed this Order in Council. But as soon as the Minister of Finance passed his Order in Council, which permitted bran and shorts to go free into the United States, but put a tax of 25 per cent upon them coming into Canada he reversed those conditions. The minister will find that in one or two years from now the conditions will be altogether changed.

Mr. WRIGHT: Does the hon. gentleman consider that the increase in the price of bran and shorts in Canada, to which he has been referring, is a hold-up by the millers?

Mr. ROBB: I am inclined to think that the hon. gentleman has guessed correctly. The tariff compels the millers to pay 27½ per cent duty on cotton and jute bags and 35 per cent on paper sacks. The Finance Minister has admitted that the figures which I gave were correct. He himself quoted figures in corroboration of what I said: that the cost of sacking flour in Canada was 8½ cents a barrel greater than the cost of sacking in the United States.

The minister lays stress on the assertion that I am the only miller who has complained. If he digs down deep enough into his own department he will find there a letter published in Canadian newspapers on Christmas Day, 1913, and signed, I think, by Mr. Black, of the Ogilvie Milling Company. Of that I am not sure; at any rate, it was signed by a large miller in Montreal, and it pointed out to the Government that if they passed an Order in Council accepting conditions imposed on Canada by Washington they would compel the millers to join those who were agitating for free admission of many articles into Canada, particularly of bags, sacks and milling machinery.

I was proceeding, when interrupted, to point out that conditions have changed since the Order in Council was passed. Bran and shorts to-day are worth $32.50 in the United States and $38 at points in Canada taking the same freights. These freights are what are known as zone freights. The price of bran or flour is fixed largely on the basis of blanket freights. In respect of goods going into the United States, Boston or Buffalo would be zone freight points.

Sir THOMAS WHITE: Are there through freight rates on bran and shorts from Montreal to United States?

Mr. ROBB: I should not think so.

Sir THOMAS WHITE: If there are not through freight rates, then why should bran and shorts go from Montreal and surrounding districts into the United States? I am asking a question based on information which I obtained from one of the leading manufacturers of flour, bran and shorts in Canada, who told me that there were no through freight rates from the district in which Montreal is situated to the United States.

Mr. ROBB: That is quite right. The basis of all these prices is the rate on products coming from the West. In the Northwest, where the big mills are—Winnipeg, Moosejaw, Kenora, Fort William—or at Port Colborne, there are no cattle to eat the feed, which must be shipped east. The price is based on its value delivered at blanket freights. The production of bran and shorts in Montreal is only a bagatelle compared with what is required in this country; even in eastern Canada the supply is not sufficient. My complaint is that the millers can create scarcity by taking advantage of these through freights and shipping to the New England market via Buffalo and Niagara Falls. They are encouraged to do this by the duty on bags, which gives them a rebate on all bags exported. I think, therefore, that I have proved to the minister that conditions have changed since the Order in Council was passed. I am encouraged to believe that he will change his mind and make some tariff changes.

I know that the resolution which I have presented is out of order, but it was brought in to enable the House to discuss the question. With the permission of the House, therefore, I withdraw the amendment.

Mr. SPEAKER: Is it the pleasure of the House that the hon. member have leave to withdraw his amendment?

Sir THOMAS WHITE: I prefer that it should be declared lost on division.

Mr. SPEAKER: Amendment lost on division.

Motion of Sir Thomas White agreed to, and the House went into Committee of Supply, Mr. Blain in the Chair.

IN COMMITTEE OF SUPPLY.

Customs—to provide for expenses of maintenance of revenue cruisers and for preventive service, $100,000.

Mr. MACDONALD: How many of these cruisers are on Atlantic coast?

Mr. REID: Last year we chartered a boat to take the place of the Government cruiser Margaret, which we got two or three years ago, but which was sent to Halifax when war was declared. Last year we got a steamer, the Dollard, from the Marine and Fisheries Department, but this year we have been unable so far to arrange for a steamer, the Dollard having been sent to Halifax on naval service. The Government steamers are all in use. It has always been the custom to have an item of this kind for that service. We have another little steamer, the Alert, down at Sydney. I think that is the only steamer that comes out of that port.

Mr. KYTE: Has the Government recently chartered a steamer for customs preventive service in the St. Lawrence?

Mr. REID: Not that I know of. I do not know of any being under order.

Mr. KYTE: I am informed that Mr. W. M. Macdonald of Sydney recently purchased in the United States a steamer which he has chartered to the Department of Customs and which is at present undergoing repairs on the marine slip at Point Tupper. Has the minister any information to give to the committee on that matter?

Mr. REID: A charter would not be made until I had been consulted, and no charter or offer of that kind has as yet reached me. The chief officer of the Preventive Service, Mr. Wilson, who is in charge of such vessels, when we were informed by the Marine Department that we could not have the marine steamer, Dollard, has been making inquiries for some little time, and he may possibly have been discussing this matter with the gentleman mentioned by the hon. member, but if he has, I have never heard of it before nor has the matter been submitted to me.

Mr. KYTE: I was at Sydney a few days ago, and the statement was made that this

steamer had been purchased for the purpose of chartering her to the Government for the customs service, and I want to know from the minister if any negotiations to that end have recently been on foot.

Mr. REID: I do not think I can make the matter clearer than I have done. No negotiations have as yet been submitted to me, and I have not heard of any; but negotiations may be going on with the officials of the department, and when they come to some decision as to what they think would be fair to submit to me for my approval, I would it of it then. Therefore, I am not in a position to say that no negotiotions heve been going on. It may be possible that the officials have been carrying on negotiations, but nothing has yet reached me.

Mr. McKENZIE: Are these cruising steamers in the preventive service supposed to see that American fishermen do not fish within the three mile limit? Has the Alert anything to do with that? I know, when the late Captain Borden was in the service of the Customs Department it was part of his duty at certain seasons of the year to see that American fishermen did not come within the three mile limit. While he was performing the same service that the Alert is performing now, he made several captures. The Alert is a very slow concern; she is supposed to overtake other vessels, and I suppose it is the intention that she will overtake them on the same principle that the lion catches the jackal; when the jackal makes a run all around the country, he gets confused and runs into the lion's mouth. If the Alert catches anything, it will certainly be on that principle, because I understand she is a very slow boat. It so happens, however, that while she is slow, she is owned by a very fast crowd, and that no doubt suits the ideas of the minister, and he will pass over all the sins of omission and commission of the Alert so long as the one great aim and purpose is served of putting money into the pockets of his Tory friends. I want to remind the minister that I hope this Alert will keep within her proper bounds. Of course, her speed is such that it is not difficult for her to keep within any bounds, but this boat was not always in the preventive service. She was hired for preventive work, but she was willing to do other things in the interest of the Tory party. She used to be chartered by this Government and by my hon. friend who presides over the department for carrying election rum down to different parts of Victoria county.

Mr. REID: She was pretty fast then. I am surprised that the hon. member says she was a slow boat, because I thought at that time she was pretty swift.

Mr. McKENZIE: She got her name into a code which was made by which the workings of the department in connection with the Alert was understood. It so happened that we discovered the code through the very name of the Alert. This code name was appearing so often in the code telegrams that at last we discovered that this boat was being referred to, and once we found out that this meant the Alert, of course, we unravelled the whole business, and I must admit that in that case she was swift in bringing destruction to the Tory party, because once we found out what those telegrams meant the results were startling. What I want to impress upon the minister is this, that there will be elections again, and there will possibly be by-elections, and I want, in all seriousness, to impress upon him that the money that comes into his hands and that he is expending in connection with the public service of this country is furnished by Grits and Tories alike, and I think that the minister will concede at once that it is most unfair to compel the Grits to supply the funds to carry on a Tory campaign, because, when we were furnishing the money to run the Alert and to pay her captain and crew, we were furnishing the money to fight against ourselves. I am sure the minister will rise to the lofty eminence of saying to the officers of the department that they must not prostitute the service and departmental property to such purposes as they used the Alert and everything belonging to it in those days. I am not speaking in a haphazard way, because all these facts were brought out in the Supreme Court of Nova Scotia, and it was shown that all facilities of Government were put at the disposal of the Tory party in that connection. Not only the Alert, but the telegraph system and the telephone system of the Government were put at their disposal in the same way. I wish to give the minister notice that if he should again commit such a reckless error as that we shall not promise to deal with him in such a mild manner as I am doing in bringing this matter before him now. I hope hereafter that each party will pay their own

election expenses, and that Tories will not be permitted to put their hands into the public treasury and to take out Grit money for the purpose of fighting the Grits.

Mr. REID: I agree with the hon. member that Government steamers, or Government property, should not be used in such cases as the hon. member has stated. I do not think that is fair. I think the position taken by the hon. member is absolutely right. I remember the case that the hon. member mentions. I did not know, of course, at the time that a Government steamer had been used for any other purpose than that for which she was chartered.

Mr. MACDONALD: Didn't you get a telegram?

Mr. REID: No, not in any shape or form. I did not know anything about it.

Mr. MACDONALD: We were inquiring in the House about it.

Mr. REID: That was after the boat had started on the trip. As soon as the matter was brought to my attention, I had the boat stopped. They tell me—I don't know whether it is true or not—that Government steamers were used for this purpose when an election came on under the late Government.

Mr. MACDONALD: Who told you that?

Mr. REID: Not the hon. member. However, whether it was done or not, I do not think it is right.

Mr. MACDONALD: What does the Alert cost a month?

Mr. REID: $1,250. She is paid the same rate as the Gladiator, whose place she took.

Mr. MACDONALD: Where is the Dollard stationed?

Mr. REID: She runs anywhere on the St. Lawrence, from Quebec down to Anticosti, the Magdalen Islands, and all around those waters. She has taken the place of the Margaret, and is in the same service. We have not been able to charter any steamer so far this season, but we shall be glad to get one if we can.

Mr. MACDONALD: How many are on the staff at New Glasgow?

Mr. REID: There are six: J. Fred McDonald, H. W. Baillie, H. D. Gillis, S. T. McCurdy, S. M. McKenzie, and A. A Clay.

Mr. MACDONALD: Has Mr. Clay been permanently appointed?

Mr. REID: He has not been appointed permanently up to the present. He was put on as a landing waiter on August 16, 1915.

Mr. MACDONALD: He is not a returned soldier?

Mr. REID: I could not say.

Mr. MACDONALD: Is it intended to make his appointment permanent?

Mr. REID: Before taking a man on we generally have him examined by the inspector or collector as to his fitness for the position; if satisfactory, he is appointed on probation for six months, and if he makes good he is then appointed permanently. I know of no reason why Mr. Clay has not been permanently appointed, and now that my hon. friend has brought the matter to my attention, I will have an Order in Council passed appointing him if everything is satisfactory.

Mr. MACDONALD: It has been stated that Mr. Macdonald is going to retire. Has the minister heard anything of that?

Mr. REID: There has been no application from him for superannuation and retirement. He has been in the service since 1879. If he retires, he would be entitled to 70 per cent of his salary, about $1,260.

Mr. MACDONALD: If he retires, will a returned soldier be appointed in his place?

Mr. REID: Yes, but we might have to fill the position temporarily until we can find a returned soldier qualified for the position. At the present time we have a number of returned soldiers acting as relieving officers, taking the place of those who are absent on holidays or from sickness. If Mr. McDonald retired, and I was not able to get a returned soldier in that constituency to fill the position, I would get one from outside.

Mr. MACDONALD: There are plenty of returned soldiers there.

Mr. REID: He would have to be qualified for the position.

Mr. MACDONALD: Would he have to be recommended by the man in charge of the patronage?

Mr. REID: We take the best man we can get.

Mr. MACDONALD: I am speaking of returned soldiers.

Mr. REID: I have not heard of any patronage committee in that riding. I am

the only patronage committee for the Customs Department.

Mr. MACDONALD: As the hon. gentleman has never heard of a patronage committee in my constituency, I might remind him that he has never asked me to recommend any appointments, and perhaps I may be said to represent the people there. Where does my hon. friend get his information about there being no patronage committee in my constituency?

Mr. REID: I make inquiries of my own. There is no patronage committee.

Mr. MACDONALD: Only some particular gentleman who happens to have your confidence, I suppose?

Mr. REID: I know a lot of people.

Mr. MACDONALD: I am a little curious about this. There was a vacancy in the postmastership at Stellarton a few weeks ago, but although the minister claims great credit for having always appointed returned soldiers, this position was given to a man who was not a returned soldier, but was recommended by the local chairman of the Conservative Committee. There were quite a few returned soldiers in the district who were quite competent to fill the position, which did not require any technical training. In view of the experience in my own constituency I do not know whether my hon. friend's protestations in regard to returned soldiers are to be regarded seriously. Perhaps a different policy is followed in the Post Office Department.

Mr. REID: I am following the Order in Council and appointing returned soldiers wherever possible. I understand the same policy is followed by all the departments. but I have enough to do to look after my own department. I have already appointed over 233 returned soldiers, and there are still a number of good positions vacant. When a vacancy occurs the people, of course, are very anxious that a returned soldier in that constituency should receive the appointment. Men are coming back wounded in much greater numbers than before. I had a letter to-day from a man in an Ontario constituency telling me about a young man who had occupied a splendid position and who is now back from the war having suffered the loss of a leg, and asking me if I could give him a position. I was pleased to be able to say that I could, and in his own constituency. That is the policy I have pursued. If, for instance, a vacancy should occur in the hon. member's constituency, and a soldier should return to that constituency who was qualified to fill the position, I should be glad to appoint him.

Mr. CARVELL: Is that the policy in the other departments of the Government?

Mr. REID: I have told the committee about the Order in Council on the subject.

Mr. CARVELL: It does not seem to be the policy of the Department of Public Works. In my constituency last September a returned soldier was appointed to the position of caretaker of a public building, a position not calling for very great skill or ability. The man got notice from Ottawa of his appointment. But there was an election, and a man there who was not a returned soldier, but who represented about a dozen votes, threatened to bolt the party unless he got the position, so they turned down the soldier and gave the place to the politician. I only wanted to know whether the hon. minister was speaking for himself or for the Government.

Mr. REID: I know that the Order in Council was passed, and I do not know that the other departments are acting differently from my own. At the same time, I am looking after my own department, and I suppose each head of a department will be able to speak for himself.

Mr. MACDONALD: Would the minister regard with any degree of interest or attention a letter that I might write to him with regard to a returned soldier?

Mr. REID: If there is a position vacant and a returned soldier fit to fill the position I will appoint him.

Mr. MACDONALD: Would the minister ask the attention of the Post Office Department to a case that I might lay before him?

Mr. REID: I am pretty busy attending to my own department.

Mr. MACDONALD: When another minister goes away, it seems quite the custom to call the hon. gentleman (Mr. Reid) to take temporary charge of the department. I think he has acted for almost every one of his colleagues except the Prime Minister. I am bound to say that he is one of the most competent men in the Government, and it is on that account that I appeal to him, because I feel that he could exercise a good influence upon his colleague, whoever he may be, who is Acting Postmaster General. A vacancy occurred in my con-

stituency in April last, but there was not the slightest suggestion of appointing a returned soldier, though there are quite a number of returned soldiers any one of whom would be competent to fill the position. Will not the minister be good enough to call the attention of the Post Office Department to this matter? Who is Acting Postmaster General?

Mr. REID: Mr. Patenaude.

Mr. MACDONALD: Will not the Minister of Customs call the attention of the Acting Postmaster General to the fact that the provisions of the Order in Council which has been referred to have not been observed with regard to the appointment of a postmaster in the town of Stellarton, in my constituency. The hon. gentleman is in more direct communication with the Acting Postmaster General than I am.

Mr. REID: I had to go to the Acting Postmaster General a few months ago with regard to a vacancy in my own constituency. We had a vacant post office there—quite a nice position. I asked the Acting Postmaster General to fill it temporarily until we could find a returned soldier who could fill it suitably. Of course, the hon. gentleman said that that was the intention. That position in my constituency is held until there is a returned soldier to fill it.

Mr. MACDONALD: Who was appointed temporarily?

Mr. REID: A girl who has been in the department ten or twelve years fills it temporarily, with some assistance. The other day, the case was mentioned of the postmastership of Smiths Falls, in the constituency adjoining mine. The question was asked whether it was the intention to appoint a returned soldier, and the Acting Postmaster General replied that it was. I will mention the case of Stellarton, and will say that I hope that the same policy that I am following is being carried out in other departments.

Mr. MARCIL: Has the minister reached a conclusion with regard to the customs collectorship at Montreal?

Mr. REID: That was fully discussed last night, as the hon. member will see by referring to Hansard.

Mr. McKENZIE: There was an officer of the Customs Department in North Sydney, a Mr. Brennan, who went to the front as an aviator. He returned wounded, but, having recovered, has gone back to the front again. His position in the customs service has been filled, but not by a returned soldier. Can the minister tell me whether this appointment to succeed Mr. Brennan is only temporary, or whether the new man has been permanently appointed?

Mr. REID: Mr. Brennan, as the hon. gentleman has stated, is absent on active service. When a vacancy occurs in this way, the policy is, as I have stated, to put in a relieving officer, on the understanding that he holds the position only until the soldier returns, or until it is ascertained that he will not be able to return. That was the policy previous to the Order in Council. This may be the man who was appointed—Hector W. McNeill.

Mr. McKENZIE: That is the man who was appointed.

Mr. REID: He is on the list as an acting officer. If he had been appointed prior to the Order in Council, and if he has been acting since, I would not feel justified in dismissing him now until we see what is the result in so far as Mr. Brennan is concerned.

Mr. McKENZIE: I understand it is the policy in regard to the inside service that, if a man enlists, his salary goes on irrespective of whatever pay he gets as a soldier. Does that rule apply to the outside service as well? I am not begrudging Mr. Brennan anything he may be getting. I am asking if this young gentleman, who left his position in the customs at North Sydney and who is performing service at the front as an aviator, comes within that rule or gets the salary that he was getting from the department before he enlisted?

Mr. REID: The rule is the same for both services. The Order in Council passed first gave the full salary. Then, in 1915 it was provided that they would get the one salary. The Orders in Council apply to both the inside and outside services. As far as Mr. Brennan is concerned, he would come under the first Order in Council were it not, as I have been informed, that he enlisted in the Imperial flying corps, and not in the Canadian Overseas Forces. If Mr. Brennan had enlisted in the Canadian Overseas Forces prior to November 1, 1915, he would come within this rule of getting his full salary. But, if after that he would simply get the difference between his military pay and his civil service pay.

Mr. McKENZIE: I do not know the date of Mr. Brennan's enlistment but I know

he took a course in aviation and enlisted in Canada. Evidently he put himself at the disposal of the powers that be and when he got across I do not know where they put him. We had no Canadian aviation corps at the time and I suppose he was willing to go wherever they put him. He certainly enlisted, received his commission and took his course in Canada before he went across.

Mr. REID: I remember that the Imperial Government had an aviation school and were enlisting for their own Imperial forces. Any official who enlisted in the aviation corps received a commission from the Imperial Government and not from the Canadian Government and, of course, he would not come within the Order in Council. Therefore, Mr. Brennan is not getting anything from the Customs Department but he would probably be getting more in the aviation corps than the amount of his salary here. I do not think there will be very much difference.

Mr. McKENZIE: I would like the minister to look into it. If Mr. Brennan, as a member of the outside service of the department, would be entitled to a continuation of his salary if he had enlisted in the Canadian service, he should not be deprived of that advantage because of the particularly useful and hazardous course he had to take or because he had to go into the Imperial Service, particularly in view of the fact that we had no aviation corps of our own that he could have joined.

Mr. REID: This is the first time this matter had been brought to my attention. Cases of this kind would be very few, as far as I can see, and I think they might be very generously dealt with. But, they would not come within the scope of the Order in Council as it now is. I will take that matter up. It is one that can be settled at any time by an application from Mr. Brennan or any one else that has enlisted in that way. It might open up a question though in quite a lot of cases because there are a large number of men from Canada who have gone over and enlisted in the same way.

Mr. McKENZIE: Mr. Brennan belongs to my town but he is not a supporter of mine at all. I wish the minister would remember what I am saying and that he would give me an assurance, that if an application is made on behalf of this gentleman, it will be considered.

At six o'clock the committee took recess.

[Mr. McKenzie.]

After Recess.

The committee resumed at eight o'clock, Mr. Rainville in the Chair.

Indians, Ontario and Quebec—Relief, medical attendance and medicines, $28,000.

Mr. LEMIEUX: On this item I wish to express my gratitude to the hon. gentleman for what he has done towards maintaining a hospital for the Indians at Caughnawaga. For many years it was known that the Indians were exposed, especially to tuberculosis, until a certain lady from France devoted her fortune to help those poor unfortunates. Although she had quite a large fortune, yet the maintenance of a hospital at Caughnawaga required the help of the Government. I appealed not in vain to the present Minister of the Interior, and he very graciously acquiesced to the request to aid that hospital. I am proud to say that with what has been given annually for the maintenance of that hospital the lady in question has been in a position to grant a very considerable relief to the band at Caughnawaga. Now that my hon. friend has done so nobly for that cause, I would appeal to him again, this time not for financial aid, because I understand that for the present he has done well enough towards the institution. But for the last two years a quarry which, I think, belongs to the Government as it is on the reserve, has been exploited by a gentleman in Montreal, Mr. Giroux, in virtue of a contract passed with one of the departments. That quarry is in the neighbourhood of the institution and as a result of its exploitation there is, first, the noise which is very annoying to the patients, and, secondly, a dust which invades the institution much to the worry of the medical staff, the nurses and the inmates. May I press the minister to see that this quarry is not further exploited. I believe that stone can be extracted from another point on the reserve, and surely the welfare of the sick and the staff of the hospital should take precedence over the little profits which might be made from the operation of the quarry. I think the minister might safely put the matter into the hands of his deputy by whom it would be dealt with expeditiously. In fact, I have taken on myself to interview Mr. Scott on two occasions, and we have appointed ourselves a delegation to wait on the minister in order to see if this annoyance cannot be abated.

Mr. ROCHE: I understand there have been some negotiations between the com-

pany having the lease for the stone quarry and the department, and that some complaints have been made to the department regarding the noise, dust, etc. The company has promised to mitigate these annoyances to the greatest possible extent, although I do not know if the noise can be abated. If stone could be removed from another part of the reserve, I think that would be quite satisfactory.

Indians, Nova Scotia—Salaries, $4,400.

Mr. KYTE: What determination has been arrived at regarding the disposition of the Indian Reserve at Sydney? I think this was in the Exchequer Court a year or so ago.

Mr. ROCHE: In accordance with the Indian Act, Judge Audette, of the Exchequer Court, went to Sydney, took evidence and completed his report. Under the terms of the Indian Act, this report is to be submitted to the Governor in Council and then to be submitted to Parliament and to be approved or disapproved by resolution at the next ensuing session. I had the privilege of laying the report upon the Table some time ago, and the resolution is now on the Order Paper and will come up in course of time for discussion. It is not my intention to ask any appropriation at this session of Parliament for the purchase of a new reserve. Judge Audette has recommended that the Indians be removed from their present reserve in the town and that another reserve be secured for them, but it is not my intention to ask for any new reserve at the present session.

Mr. KYTE: Has any determination been arrived at as to where the new reserve is to be located?

Mr. ROCHE: Three alternative sites have been examined and reported on by Judge Audette. He recommends one of these three; but there has been no determination as to which of the three should be selected, as I thought it somewhat premature, during war time, to vote a sum for this purpose when the matter was not very urgent.

Mr. KYTE: How is the land in the present reserve to be disposed of?

Mr. ROCHE: By auction sale.

Mr. OLIVER: In regard to the removal of the Sydney reserve, how did it become necessary to invoke the terms of the Act? To what extent did the Indians make objection, and on what grounds?

Mr. ROCHE: I was informed that it was by reason of the circumstances connected with this particular reserve that my hon. friend introduced the amendment to the Indian Act in 1911. This reserve is on one of the main thoroughfares in the city of Sydney, which has a population of about 19,000. On several occasions agents of the department interviewed the Indians and endeavoured to get them to make a surrender. The Indians, however, refused to do so, largely on the ground that, as many of them work in the steel plant and the reserve is convenient to their occupations in the city, a change would be inconvenient. Some of them are quite agreeable to surrender provided they get another suitable reserve, but they do not wish to be moved any considerable distance from the town.

Mr. OLIVER: What was offered the Indians as a consideration for their voluntary removal?

Mr. ROCHE: Practically the same considerations and provisions as are offered now by the judge of the Exchequer Court: that we should sell their land to the best possible advantage, move them to another reserve as convenient and suitable as possible, erect their houses on the new reserve, and put them in possession.

Mr. OLIVER: As a general rule, when surrenders are taken from the Indians they are guaranteed a minimum valuation on their original property. Is there any such guarantee in this case, and if so, what is the amount?

Mr. ROCHE: No. We are to dispose of their present reserve by public auction.

Mr. OLIVER: And they are to have no protection in the way of a minimum price?

Mr. ROCHE: They would, no doubt, have the protection of an upset price on the land. We will rehabilitate them in their new reserve and place them under as favourable conditions as possible. We have always endeavoured to protect the rights of the Indians in the past, and shall do so in the future. It is only when they object upon what we consider to be unreasonable grounds that we invoke the terms of the Indian Act. We think they have every guarantee of getting value for their present reserve by our establishing an upset price and disposing of the land by public auction. In a city of that size there would likely be considerable competition for land in the middle of the city and on the main thoroughfare.

Mr. OLIVER: As I took some responsibility for placing this amendment in the Indian Act, I am interested in this its first application. While I appreciated at the time the necessity of some such provision, I did not fail to appreciate the right of property held by the Indians in their reserve, and I should be sorry if the minister has not retained that appreciation in his dealings with this Indian band. I know that the circumstances are such as to make it desirable that the Indians should be removed from this reserve, and I appreciate the fact that there may have been difficulties in the way of securing their consent. But when the strong arm of the law is invoked in dealing with the property of these people and with their personal rights, the Government should take not a less careful but a more careful view of the measure of those rights. They should be sure that nothing is done to derogate from the right of those people to the full value of the property. The property is well known to the public and it must have some measure of fixed value, if city real estate has any fixed value to-day in Canada. The services of the Commissioner should have been utilized to satisfy the Indians and those who wished to see justice done them that they would get a fair value for the land; and the sum so considered to be a fair value should be stated to the Indians as well as to the House. My hon. friend will understand that I make no suggestion of impropriety of action on his part or on the part of any of his officials.

But I can see very grave danger in the fact of the Government simply reaching out its hand and taking away their property from these people and selling it to the highest bidder without giving any assurance to them or to the country that they will be absolutely protected. I do not need to go into any further details as to what may occur in such cases, but it will certainly appear right to the minister that he should have availed himself of the services of a commissioner to place a valuation upon that village.

Mr. ROCHE: That has been done.

Mr. OLIVER: I have asked the minister for that valuation, and he has not given it to me.

Mr. ROCHE: I think the hon. gentleman must have misunderstood me. The commissioner did inquire and take evidence as to the value of the present reserve, and he has given his estimate of the value. I just forget the amount, but it was somewhere in the neighbourhood of $5,000. The hon. member knows that the reserve consisted of only a little over two acres.

Mr. OLIVER: Yes, I am quite aware of that.

Mr. ROCHE: The commissioner took evidence from several parties as to the valuation of the land, and he made a recommendation himself as to the value of it.

Mr. OLIVER: That, of course, clears the point provided that the department is prepared to stand by that valuation of the commissioner and to guarantee that amount as a minimum to the Indians. That is what I have been arguing for in my remarks. Now that the minister has stated the amount, it has become public, and while some may think the amount too small and some too large, unless the amount is fixed and publicly stated, I still maintain that the Indians are not receiving fair protection.

Mr. CARROLL: I understand the minister has been discussing the Sydney reserve?

Mr. ROCHE: Yes.

Mr. CARROLL: The minister has made the statement that there are three sites available; where are the sites?

Mr. ROCHE: A couple of weeks ago I laid the report of the judge upon the table of the House. I cannot carry all the details in my memory.

Mr. CARROLL: I will look into the matter myself. The minister will recollect that this subject was brought up a few years ago, and that I suggested to him then that the Indians of the Sydney reserve are in a somewhat different position from the Indians in other parts of the Maritime Provinces. The Indians at Whycocomagh and other reserves are following their ancient occupations of basket-making and tub-making, but the Indians of Sydney get work around Sydney and they do not follow the old occupations of the Indian tribes in that district. The only interest that I have in the matter, as representing the Indians, is that I should like the minister to take precautions to see that the Indians are not sent so far away from Sydney that they will not be in a position to follow the occupations in which they have been brought up, such as working in the mines or with private families. Apart from that, it would be for the interest of Sydney that the Indians should be removed.

Mr. ROCHE: I do not think there will be any interference with regard to their following their former occupations.

Mr. KYTE: I presume there will be a surplus left out of the $5,000 after paying for the new reserve. What is proposed to be done with that surplus?

Mr. ROCHE: My hon. friend means the surplus over and above the $5,000, that is, if we put the land up for sale and it fetches more than $5,000.

Mr. KYTE: Yes.

Mr. ROCHE: That would go to the Indians.

Mr. KYTE: Is the amount to be funded for them or distributed amongst the members of the tribe?

Mr. ROCHE: The hon. member overlooks this fact. We have to secure a new reserve, and the amount received for the land will not be nearly sufficient to place the Indians on a new reserve, and we shall have to come to Parliament for an extra appropriation. The surplus over and above the $5,000 will be applied to the expense of settling the Indians on the new reserve. We shall have to purchase a reserve, have buildings put up, remove the Indians and so on, so that the surplus over the $5,000 will be applied to that.

Indian Department—Miscellaneous and unforeseen, $9,162.

Mr. TURRIFF: How much of the vote for miscellaneous and unforeseen was expended last year?

Mr. ROCHE: In 1915-16, $3,758.

Mr. TURRIFF: Do the officers of my hon. friend's department not know approximately how much of the vote was expended last year?

Mr. ROCHE: The deputy informs me that it was nearly all expended.

New Brunswick Indians—Salaries, relief, medical attendance and medicines, miscellaneous and unforeseen, repairs to roads, and to provide for encouragement of agriculture, $16,284.

Mr. ROCHE: That is the same amount as last year.

Mr. COPP: How many officials are included in the salary item?

Mr. ROCHE: There is the superintendent of the northeastern division; there is an agent at Buctouche; there is an agent at Fredericton for the southwestern division; there is an agent at Perth for the northern division, and then we have constables at Big Cove, Kent County, Burnt Church, Northumberland county and Eel Ground, Northumberland county.

Mr. MICHAUD: Has the agent at Perth been changed lately?

Mr. ROCHE: Mr. Wootten is the agent there.

Mr. MICHAUD: There was a Mr. Waite there.

Mr. ROCHE: He was removed some time ago.

Mr. MICHAUD: For what reason?

Mr. ROCHE: The hon. gentleman will remember that either last session or the session before there was some discussion in connection with some timber cutting on the reserve, and as we did not think that Mr. Waite fulfilled all his duties on that occasion, we removed him from his position.

Mr. MICHAUD: It is very unfortunate that Mr. Waite has been removed from his position, because if he had remained as agent of the Indian reserve, probably the wood that the minister mentions would be preserved better than it will be now.

Mr. ROCHE: It was during Mr. Waite's regime that the wood was removed.

Mr. CARVELL: Surely the minister does not blame Mr. Waite for cutting timber on the Indian reserve. I know something about the matter, and I do not think the minister ought to make that charge against Mr. Waite, because Mr. Waite did all he could to preserve the Tobique Indian reserve, when a friend of the Minister of Marine and Fisheries went as far as he could go. I want to give the Minister of the Interior credit that when he found out exactly what the condition was, he stopped the cutting of timber. The minister is entitled to a good deal of credit for saving an Indian reserve from the political grafters who are after it. Do not blame Mr. Waite for this.

Mr. KYTE: Is it the intention of the Government to appoint a second superintendent of Indian agencies for the Maritime Provinces?

Mr. ROCHE: No.

Mr. MICHAUD: Is there a special appropriation for repairing the road on the Indian reserve at Edmundston?

Mr. ROCHE: Yes.

Mr. MICHAUD: I hope the grant will be sufficient to put this road in good repair, because every spring it is almost impossible to go through that Indian reserve, and as that road is the main highway along the St. John river, I hope the minister will give a good grant so that we shall have a pretty good road in the near future.

Mr. ROCHE: There has been some correspondence on that matter.

Mr. CARVELL: I should like to know if a certain gentleman by the name of Colonel Sheridan is still in the employ of the department as Indian agent in the province of New Brunswick.

Mr. ROCHE: Yes.

Mr. CARVELL: Does the minister remember that about a year ago I pointed out to him that this gentleman had been compelled to resign his seat in the Legislature of New Brunswick for wrong-doing. I do not want to go into the details again to-night, for I gave them to the minister a year ago, and the minister was very much surprised, I believe, when he got that information. He promised to investigate the matter, and I think he even went so far as to say that if the facts were as alleged Colonel Sheridan was not a proper man to occupy a position under the Government. So strong was the feeling against the conduct of this gentleman and his confreres in the county of Kent that at the last provincial election the Conservative majority of 800 was converted into a Liberal majority of 600. In the face of all these facts, will the minister still persist in keeping a man of that stamp in the employ of this Government at a big salary? It seems to me I am putting up a fair proposition. I believe the minister wants to administer the department fairly. I have always had the most courteous treatment from him, and have always found him disposed to do what is right and fair, and I therefore cannot understand how he can continue to employ this man in view of the very distressing circumstances which I pointed out to him last year.

Mr. ROCHE: I remember the hon. gentleman bringing to my attention certain statements of his own about Colonel Sheridan; I had never heard of the circumstances before, and I promised to make an inquiry. I looked up the judge's report, and if I recollect aright Colonel Sheridan was censured by the judge who tried the case for certain indiscretions. I think certain work had been done in the name of his son.

Mr. CARVELL: The trouble is that the work was not done, but his son drew the pay for it. Names were added to the pay list and the money was paid to Colonel Sheridan.

Mr. ROCHE: I understand that certain small amounts were paid. I knew nothing of the circumstances when I appointed Colonel Sheridan, and after looking into the circumstances related by my hon. friend, I did not think Colonel Sheridan had been guilty of impropriety such as would warrant me in dismissing him, as he was carrying out his duties as Indian Agent quite properly.

Mr. CARVELL: Does the minister think that a man who was not fit to sit in the legislature of New Brunswick, because of irregular practices, is a perfectly fit and proper person to act as Indian Agent in his department?

Mr. ROCHE: I do not know whether he was fit to sit in the legislature or not.

Mr. CARVELL: He got out.

Mr. ROCHE: Lots of men get out.

Mr. CARVELL: I am sorry for the minister. I want to say here publicly that I spoke to the minister about the raid on the timber on the Tobique reserve, and the minister did everything a minister of the Crown could be expected to do. I want to give him credit publicly for saving that reserve to the Indians, but I am sorry, after he has done so well in that respect, to see him allowing this condition of affairs to exist in another part of the province.

Mr. ROCHE: I am sorry my colleague from New Brunswick is not in his place, because he is better acquainted with the circumstances. I know he has a different idea from my hon. friend.

Mr. CARVELL: I think the minister's colleague is very glad indeed that he was temporarily called out of the Chamber.

Mr. MARCIL: I was not in the House when the Quebec vote for the Indians was passed. Was any road-making done on the Maria and Restigouche reserves last year, and is any contemplated for the coming summer?

Mr. ROCHE: Work was done last year, and we intend to do work on both reserves this summer.

Mr. MARCIL: How much work was done last year, and how much will be done this summer?

Mr. ROCHE: $500 was expended on each reserve last year, and we expect to spend about the same amount this year.

Mr. MARCIL: Will that complete the work that is contemplated?

Mr. ROCHE: We usually spread the work over a series of years.

Mr. MARCIL: Who is in charge of the work?

Mr. ROCHE: Nobody has been appointed for the work this summer.

Mr. MARCIL: Is the work being done by day labour?

Mr. ROCHE: Yes, I can get the foreman's name for my hon. friend later on.

Mr. MARCIL: Are Indians employed in this work, or any body at all?

Mr. ROCHE: We give Indians the preference.

Mr. MARCIL: Were any Indians employed on these reserves?

Mr. ROCHE: That is my impression.

Mr. MARCIL: Who is the medical officer in charge of the Restigouche Reserve?

Mr. ROCHE: Dr. Martin.

Mr. MARCIL: Who is the medical officer in charge of the Maria Reserve?

Mr. ROCHE: Dr. Boileau.

Mr. MARCIL: Do they receive a salary, or are they paid fees?

Mr. ROCHE: Dr. Boileau receives $300 per annum. Dr. Martin is paid on account and receives no stipulated salary.

Mr. MARCIL: Have any requests been made for seed grain to increase the grain production on the Restigouche Reserve? A petition was sent here some time ago asking that the Reserve be fenced in, so that the Indians could go in for more extensive production.

Mr. ROCHE: They made a request, and their request has been granted.

Mr. MARCIL: To what extent?

Mr. ROCHE: Whatever they asked for was granted. I think it was in the neighbourhood of $500.

Mr. MARCIL: Do you buy the grain?

Mr. ROCHE: The agent buys the grain.

Mr. MARCIL: Does he purchase from the Government or anywhere he likes?

Mr. ROCHE: He has a free hand.

Mr. CARVELL: Has the minister received any complaints from the band at Woodstock, New Brunswick, that they were not being treated fairly in the distribution of supplies? I have always had very grave doubts of the wisdom of the policy of supplying the Indians with a few pounds of pork or flour, but it has been the custom ever since Confederation, and I am not going to raise that question now.

I know that a great deal of fault is found with the giving of supplies, on the ground that the Indian is not treated fairly. I do not know whether that is true or not, but I know that representations to that effect have been made to the department. The charge is that when the Indian wants supplies he must go to a certain store with his order for two dollars, five dollars, or whatever it may be. The storekeeper, they complain, gives them some things, but will not give them others. The information I get is that they could not get pork or flour, but could get other things that they do not want. Also, they claim that they are charged such exorbitant prices that their order only lasts for a few minutes. I do not make any charge, but I draw the matter to the attention of the minister without mentioning names. Has he made an investigation, and if so, what is the result?

Mr. ROCHE: Complaints have been made along the lines indicated by the hon. member (Mr. Carvell). The deputy minister instructed the inspector to investigate these charges and this was done. The report of the inspector was favourable to the action of the agent, and showed that there was comparatively little in the charges.

Mr. CARVELL: Were the Indians given an opportunity to be heard, or was the investigation an ex parte one? If an investigation was ever held in which the Indians were allowed to be represented, I have not heard of it, and I may tell the minister that an investigation purely ex parte, under the conditions existing in New Brunswick to-day in his department, would be of little use. I did a little investigating myself, and came to the conclusion that there was reason to believe that the Indians were justified in the position they took. It is for that reason I bring the matter to the minister's attention. I certainly do not want to do injustice to anybody; I am making no charges, but there was sufficient evidence to satisfy me that there ought to be either a change of merchants or a change in procedure of supplying goods to the Indians.

Mr. ROCHE: My information is that the Indians were afforded an opportunity to give evidence. I will send the hon. gentleman a copy of the report.

Mr. CARVELL: And will the minister please send, also, a copy of the evidence on which the report is based?

Mr. MARCIL: With regard to the Restigouche reserve, has any application been made to secure any part of that reserve as a pulpwood limit and mill site?

Mr. ROCHE: No.

Mr. MARCIL: Has there been any move in that direction?

Mr. ROCHE: No.

Mr. MICHAUD: I understand that the province of New Brunswick will spend some money on the Indian reserve at Edmundston, and so will the Department of the Interior. Has the minister named a person to supervise the work? And, if so, has he appointed the commissioner of the parish, or has he appointed the commissioner from Edmundston, near which the land is situated?

Mr. ROCHE: We have not named any one.

Mr. MICHAUD: Is it the intention of the Government to employ either of the men I have suggested, or will somebody else be appointed?

Mr. ROCHE: That point has not been under consideration as yet, the money for the year not having been voted.

Mr. MICHAUD: I hope the minister will take into consideration the appointment either of the commissioner for the town of Edmundston or the commissioner for the parish of St. Basil. I know them both, and both are good men.

Mr. NESBITT: I was not in my place when the Indian Estimates for Ontario were going through. May I be permitted to ask if the minister will let me have the tenders for the sale of timber on the Shawgnaga reserve in January, 1917, and the prices at which the timber was sold?

Mr. ROCHE: I will get that information.

Mr. MARCIL: Is the same method followed in regard to the Indians of the Quebec reserves as with the Indians of the New Brunswick reserves in the matter of supplies? Is an Indian given an order for supplies?

[Mr. Carvell.]

Mr. ROCHE: The Indian is not handed the money to go and buy wherever he likes, but the agent directs where the supplies are to be purchased.

Mr. MARCIL: Are the charges for goods sold to the Indians supervised by the department?

Mr. ROCHE: Yes.

Mr. MARCIL: The purchases for the Restigouche reserve would have to be made in Campbellton, N.B.?

Mr. ROCHE: Yes.

Mr. COPP: How many Indian reserves are there in New Brunswick?

Mr. ROCHE: Twenty-six.

Mr. COPP: Is one located at Dorchester?

Mr. ROCHE: Yes.

Mr. COPP: The number of Indians there is very small, and I did not know whether it was a regular reserve, or whether the Indians had dropped in there themselves and were being looked after more or less by the agents in the province of New Brunswick? Following up what has been said by the hon. member for Carleton (Mr. Carvell), I may say that from what I have been able to learn with regard to supplies furnished to Indians in my own county, no check at all seems to be kept. There may be a telephone message purporting to come from the Indian agent at some distance away, and on that authority supplies may be taken to the camp for the Indians. But there seems to be no check, the agent himself does not know what is actually supplied except as he is informed by those who furnish the supplies. The appropriation for this purpose for the province of New Brunswick is small, but for the whole country the aggregate is a very considerable one, and as this is a business matter, one would think that businesslike care should be exercised to have some check on the goods supplied, and the prices charged.

Some, of course, do such work as the loading of vessels in the harbour in that locality. We can understand that complaints might readily be made by those people when there are perhaps not very good grounds for them but I do know that the supplying of the Indians is done in a most offhand way by telephone message, or something of that kind, the goods are taken to the camp and nobody knows anything more about them till somebody sends a bill.

Mr. ROCHE: We must have confidence in the agent and he certifies to these ac-

counts before they come to the department. We depend on his business capacity and honesty to see that these are proper accounts. I could quite well understand that if he was 25 miles away from the Indians who were going to be supplied he could not be present to check over the supplies and he would have to telephone to place the order. But, he is supposed, in the discharge of his duties, to see that the Indians are not imposed upon. If the hon. gentleman has information with regard to some individual Indians, or if he knows the Indian character well enough, he will know that they are not at all averse to putting up a kick occasionally and that if there is any ground, and sometimes if there is none at all, they grumble. But, we do trust to the reliability of our agents to see that they are not imposed upon.

Mr. COPP: I quite understand that the complaints of a very large class of them would have to be taken more or less with a grain of salt. But, we have an agent who has charge of the reserves in my county who lives not 20 miles away from the reserve but possibly 60 or 70 miles away. There are places in Westmorland where there will be only four or five families of Indians. I did not know whether they were regular Indian reserves or not or whether they were just small communities. At Dorchester there are only a few families and yet I understand, it is a regular Indian reserve. The minister says that the agent must certify to the accounts. Anybody who knows the conditions at all knows that when the agent certifies to the accounts he has no more information about these accounts than the minister has himself. These matters are small but I think it would be well to reorganize the system down there and have somebody in the different localities to see that the goods that are purchased for the Indian tribes are properly supplied and that they get value for the money paid. We should have some assurance that the goods are supplied at fair and reasonable prices. The agent has no information in regard to these matters that would enable him to certify to the accuracy of the accounts and he simply accepts the accounts from the merchants and those who supply the goods. These merchants might as well send the accounts direct to the department and do away with the agent altogether because he is absolutely of no use.

Mr. ROCHE: What would the hon. gentleman suggest?

Mr. COPP: I would suggest that, rather than have an agent there who does not know the value of the goods supplied, the merchants should send their accounts direct to the department.

Mr. ROCHE: The only thing about that is that the Auditor General could not pass them.

Mr. COPP: Unless you adopt some special plan to get around the Auditor General, I suppose we cannot expect anything else. But, I speak seriously about this matter. There is no one who has sufficient knowledge to certify to these accounts, and it is a matter of leaving the merchants to supply the goods to the different reserves. Whether they supply the goods or not they charge for them and they are paid.

Mr. McKENZIE: I was not in the House when the Nova Scotia items were up, and if you will pardon me, Mr. Chairman, for a moment, I would like to refer to a few little things appertaining to the Nova Scotia vote which has just been passed. Near the town where I live we have a small colony of Indians. They have no reserve and no land. There are a few
9 p.m. families, numbering about 20 or something like that. They have been living on the same land, I suppose, for forty years. It is only through the kindness and generosity of the people who own the land that they are permitted to reside on it. Some day these people will turn them off, I suppose. Often, in the old days before this Government came into power, I used to speak to my hon. friend's predecessor, the Superintendent General of Indian Affairs about this matter, but I could not get anything done. I think the Indians should be taken away altogether and put with the Indians at Sydney, or some other provision made for them. There is no agent or doctor there. The doctor at Sydney is the nearest doctor, and at a certain season of the year he has to go 17 miles to reach them. In the summer time there is a ferry and it is only five miles. But in the winter time, when the Indians would be likely to require the services of a doctor, the nearest doctor would be 17 miles away. The same care should be taken of this little colony as is taken of Indians in other parts. The land on which they live is not valuable land and it would not be expensive to get a few acres for them where they are so that they would be on their own property. I realise

that it would be very difficult to get them to give up the place because they have become attached to the spot where they have been living for forty or, perhaps, fifty years. But they never had any organization or anything done for them.

I also want to say a word about the Sydney Indians. I have lived in Sydney for many years and I know many of these Indians personally. I took a great deal of interest in the report that I saw had been made with regard to their removal. I would suggest to the minister that instead of selling this land, for which he might get a few thousand dollars, he should give it to the city. We will call it Roche Park and it will commemorate the minister for all time to come. Sydney is quite a large city and in that end of the town where the reserve is located there is no land available for park purposes. It is right on the seashore, and it is valuable property for a park. It is outside of the commercial part of the city. I presume the water front is still the property of the Government, and it could be made a beauty spot and would be of great value to the city and people generally. The ordinary man in Sydney, with his wife and children, having the privilege of visiting that park, going to the shore and enjoying the magnificent bathing place there, would bless the memory of the minister if he made that reserve into a small public park. The money that he would get for it is a mere bagatelle and would soon be forgotten. To give this land to the city as a park would be an excellent and generous thing to do. Victoria Park, at the other end of the city, was practically given to the city for park purposes by the Imperial Government. It was Admiralty ground in the time when the island of Cape Breton was a province and Sydney was a garrison city. That park has been beautified by the city. About a mile and a half away to the south is this little bit of land occupied by the Indians, and it is rather a drawback to that part of the city. The Indians themselves would be better off elsewhere. I would suggest that it would be better not to hand the money to be paid to the Indians for this land direct to them, but rather to place it in the hands of trustees, such as the Indian agent, who is a very capable man, and Reverend Father McAdam, the priest there, who has been very kind to the Indians. In this way the money would be paid to the Indians at intervals when they needed it, whereas if it were given to them direct they would spend it very quickly and in a way which would not be to their own advantage.

[Mr. McKenzie.]

I would suggest also that the small settlement of Indians who have really squatted in the town of North Sydney should be removed. They occupy land really by the grace of the owners, and have been there for about thirty years. I know that it will be difficult to get them to stay in any other place as the Indian is peculiar in that way.

Mr. ROCHE: When I said that any surplus over the estimate of $5,000 would be handed to the Indians, I overlooked the fact that there would not likely be any surplus as it would cost a good deal more than $5,000 to secure a reserve for the Indians elsewhere. As to the suggestion that this land should be handed over to the city of Sydney for park purposes, I do not wish to say anything to prejudice the proposal, but this is the first time it has been made. The city of Sydney seems to be rather apathetic on the whole question; I do not think that any of the municipal officials even appeared before Judge Audette. It has been the intention, if possible, to place the Indians at North Sydney on the same reserve with those from Sydney when a new reserve is obtained.

Indians, Manitoba, Saskatchewan, Alberta and Northwest territories—General expenses, $263,924.

Mr. TURRIFF: Why are the salaries not put by themselves in connection with this item as is the case of the other provinces?

Mr. ROCHE: I presume it is because, from time immemorial, it has been done in this way and the salaries have been paid from the item of general expenses. The same thing has bene done in Quebec and Ontario.

Mr. TURRIFF: How much of the item for general expenses is for salaries?

Mr. ROCHE: $145,542.

Mr. TURRIFF: What, in a general way, are the details of the balance of that item?

Mr. ROCHE: Rations, miscellaneous, fuel, feed, livestock, equipment and buildings.

Mr. SINCLAIR: What is meant by triennial clothing?

Mr. ROCHE: The chiefs' clothing, given under the terms of the treaty every three years.

Mr. OLIVER: There is an amount here for surveys. Are these surveys of new re-

serves, and if so, in what part of the country are they to be made?

Mr. ROCHE: The surveys projected for 1916-17 are as follows: Survey of certain reserves under provision of Treaty No. 8. A proposed exchange of the Pine Creek reserve. Small exchanges requested by the Indians and granted at the Blood Vein River and the Berens River reserves require to be surveyed. A small reserve containing a supply of wood and timber for the Norway House band is to be surveyed. Townplot of Fairford to be reposted and revalued. Small area of land due Indian band at Cumberland House to be surveyed. A small reserve for hay purposes for the Moose Lake band. An addition to the Chimawawin Indian reserve 32-F. A number of reserves under provisions of Treaty No. 10. Survey of land at Battle lake for the Riding Mountain band, Man. The defining of the limits between the marsh lands and the Brokenhead reserve at its northwest corner.

Mr. OLIVER: Has the department knowledge of any requirements in the way of further surveys in the Peace River country?

Mr. ROCHE: The reserves in northern Alberta have been practically all completed. We expect to finish the surveys in a comparatively short time.

Mr. OLIVER: Are some reserves located that are not surveyed?

Mr. ROCHE: Yes.

Mr. OLIVER: Where are those locations?

Mr. ROCHE: In the neighbourhood of Fort McMurray.

Mr. OLIVER: I had occasion to communicate with the department recently with regard to a small reserve in the neighbourhood of Fort McMurray. Are there many more in that vicinity?

Mr. ROCHE: There is a Treaty, No. 8, in that district. Some of the surveys are not yet completed. It may require a season's work to finish them.

Mr. OLIVER: Are any other reserves contemplated within a radius of 20 or 30 miles of Fort McMurray that are not already located and surveyed?

Mr. ROCHE: I understand that one has been requested, but our surveyors have not as yet been up to look at it.

Mr. OLIVER: I do not wish to criticise the location or the arrangment with the Indians; I am desirous of seeing the Indians treated with all fairness. But a railroad has been built to within 20 miles of Fort McMurray; it is anticipated that the rails will reach that place this summer. Many people of a more or less speculative disposition will then go into that country, and as there are mineral possibilities, they will desire to locate in various places. It is very disconcerting, confusing and unsatisfactory to a prospector who has gone into a new country and made his location to be displaced in the interests of the Indians. Where there is an immediate development resulting from railroad construction the question of Indian reservations should already have been settled; it should not be left until the railroad has arrived on the ground. If further reserves are to be located and surveyed in that locality I urge upon the minister the desirability of making those locations and surveys as early this summer as possible, in order to avoid confusion and dissatisfaction.

Mr. ROCHE: I understand that the reserves have been practically all located. The Indian branch has requested the Department of the Interior not to throw these lands open for homesteaed, the idea being to establish an Indian reserve upon them. I understand that the Interior Department have complied with that request. We will expedite the work with a view to meeting the condition which the hon. gentleman says is likely to arise through the completion of the railway.

Mr. OLIVER: This is a question not between the Indian Department and the Department of the Interior, but between the Government and the public. The reservation by the Interior Department of a section of land for a prospective Indian reserve may cause the greatest possible annoyance to the prospector and tempt him to make trouble for the authorities. I repeat that the question of Indian reservations should have been settled before the construction of the railroad and the coming in of prospectors. I would urge upon the minister the necessity of making these locations and surveys as soon as possible. It would be good for the Government, good for the prospector, and good for the country. Are any surrenders of reserves or parts of reserves in prospect in the prairie West?

Mr. ROCHE: I cannot recall that any surrender has been called for in any of the prairie provinces.

Mr. OLIVER: There are no negotiations going on?

Mr. ROCHE: We have already arranged to have a sale of a portion of the Blackfoot reserve that was surrendered some time ago.

Mr. OLIVER: Recently surrendered?

Mr. ROCHE: No, it is an old surrender.

Mr. OLIVER: Perhaps I am not in order to ask this question of the Minister of Indian Affairs, but if not, I will ask the Minister of the Interior what is the present policy in regard to the issue of scrip to Indians under treaty who, on pretense of being half-breeds, withdraw from the treaty and thereby become eligible under the original conditions for an issue of scrip.

Mr. ROCHE: The policy of the department is that we are not issuing any more scrip, and I hope we are done with that business.

Mr. OLIVER: I understood that to be the policy, but I would just like to have it as absolute and definite as the minister can give it. Do I understand him to say that no further half-breed scrip will be issued to any Indian withdrawing from treaty in the Prairie Provinces?

Mr. ROCHE: Certainly. It is not my intention to authorise any such issue. I will answer for myself so long as I am in the department.

Mr. OLIVER: From time to time, the question is asked me by constituents and others, and I wish to be able to make on the subject a formal statement in which I shall be supported by the minister.

British Columbia Indians—salaries, relief to destitute Indians, to assist Indians in farming, fruit culture and cleansing orchard, hospital, medical attendance and medicines, travelling expenses, office, miscellaneous and unforeseen expenses, surveys, $166,050.

Mr. ROCHE: There is a reduction of $16,600.

Mr. TURRIFF: Are the expenses in connection with the Commission on Indian Reservations paid out of this vote? I refer to the commission that has been at work in British Columbia for some years.

Mr. ROCHE: There is no appropriation this year. The commission has gone out of existence.

Mr. TURRIFF: The commission is no longer drawing salaries?

Mr. ROCHE: It is no longer drawing salaries.

Mr. TURRIFF: I notice in an answer given to a question on the 3rd of May last that Mr. N. W. White, K.C., had drawn just for himself alone, the sum of $35,183.37. Does the minister not think that is somewhat in the nature of—what shall I say?

Mr. A. W. CHISHOLM: Slightly extravagant.

Mr. PUGSLEY: That must have been before the war.

Mr. ROCHE: Mr. White was appointed commissioner under an Order in Council passed several years ago. He was chairman of the commission. I am sorry to say that the gentleman has since died.

Mr. TURRIFF: I am very sorry to hear that, but still I do not think that relieves the Government of a considerable amount of responsibility for the fact that one man in connection with a commission of that kind, that, to my mind, was practically unnecessary, should be allowed to dilly-dally the work along until he draws over $35,000 out of the department.

Mr. OLIVER: What is the result of the work of the commission?

Mr. ROCHE: The commission ceased their labours last July, and under the terms of the Order in Council appointing them, they were to make a report to the provincial government and to the Dominion Government, which report was to be adopted by the two governments prior to its being submitted to Parliament. The report was furnished just about the time that the old government in British Columbia were in the midst of an election campaign, and they were too busy with other matters to deal with this report. The new government, since it has come into power, has been busily occupied; it has held its first session of Parliament. We have had some communications with the prime minister of British Columbia to try to expedite the consideration of the report in order that we might have the matter taken up and action taken at this session. Mr. Brewster stated that he was far too busy to give the report his attention during the session of Parliament, but that he would have it taken up as expeditiously as possible and have it dealt with. We are awaiting the action of the British Columbia Government before taking any further proceedings prior to laying the report upon the table of the House.

Mr. OLIVER: What was the purpose to be achieved by this somewhat luxurious commission?

Mr. ROCHE: The hon. gentleman knows that the question of Indian reserves in British Columbia has been a great bone of contention between the Indians, the provincial government, and the Dominion Government for many years past, and this commission was appointed with a view to clearing up all these difficulties. It was claimed by the Indians that they were not in possession of sufficient land for their purposes, and the contention was made by the British Columbia Government that in many instances there was far too much land for the number of Indians, and in order to do away with those conflicting representations it was decided to have this commission investigate each reserve. That was done very thoroughly, and I believe a very excellent report was made. The country is mountainous and very extensive, and many reserves are difficult of access. The commission visited each reserve personally and that meant a great deal of time. They took evidence of all the Indians interested, and they have made recommendations that those reserves in which it was found that there was too much land for the Indians to occupy should be cut down to what the commission considered to be the requisite area, and in other reserves where they considered the land was too small in area for a reserve they have recommended that additions be made. It was with the reserves alone that this commission was occupied, and while I am not at liberty to divulge the nature of the report, because it is a very voluminous and exhaustive document, I believe they have made a most excellent report and one which I trust will commend itself to all parties concerned. From what little conversation I have had with the Premier of British Columbia in regard to the matter, I am inclined to think there will not be much difficulty in having his government approve the report, and if that is the case I am satisfied, from my slight perusal of portions of the report, that it should recommend itself to the Dominion Government as well. I cannot go into the details of the recommendations, because there is a separate report on each reserve, but the recommendations were along the lines I have indicated.

Mr. OLIVER: When was the commission appointed?

Mr. ROCHE: I think in 1913. I was in the Old Country at the time the commission was appointed.

Mr. OLIVER: What was the total bill?

Mr. ROCHE: The total bill, including salaries, travelling and all other expenses, amounted to $316,782, of which the province of British Columbia bears one half.

Mr. OLIVER: Did the closing of the work of the commission and the change of government in British Columbia merely synchronize, or had one any bearing on the other?

Mr. ROCHE: I would not venture an opinion on that.

Mr. TURRIFF: How many commissioners were appointed?

Mr. ROCHE: Five.

Mr. TURRIFF: The report would need to be good seeing that it cost over $300,000.

Mr. SINCLAIR: Has the report been printed?

Mr. ROCHE: Yes, but under the terms of the Order in Council appointing the commission, the report has to be approved by both governments before it can be laid on the Table.

Mr. OLIVER: Laying it on the Table will be merely a matter of form, as the subject has already been settled before it comes to the consideration of this Parliament.

Mr. ROCHE: It is not a mere matter of form. The people's representatives have a perfect right to criticise the report and to see how the money was expended, but we are not permitted to lay the report on the Table until it has been endorsed by the two governments.

Mr. OLIVER: That means that an effective criticism by Parliament would be the defeat of the Government. That seems to be going outside altogether of parliamentary procedure. It is taking the control of affairs out of the hands of Parliament very effectively. I think the conditions surrounding the issue of the commission are nearly as remarkable as the expenditure on its behalf.

Mr. TURRIFF: What is the object of laying a report on the Table when the time has passed for discussing it effectively?

Mr. ROCHE: It is only right that hon. gentlemen should have access to the information secured by the commission.

Mr. SINCLAIR: It would be interesting to get the names of the commissioners and the items making up that total.

Mr. ROCHE: That is a pretty large order, as the expenditure is spread over three years; the items are all shown in the Auditor General's reports.

Mr. SINCLAIR: What are the names of the commissioners?

Mr. ROCHE: The appointees of the Dominion Government were N. W. White, S. Carmichael and J. A. J. McKenna; and the appointees of the British Columbia Government, Mr. J. P. Shaw and Mr. D. H. Macdowall. Mr. White replaced Chief Justice Wetmore, who was the chairman originally.

Mr. SINCLAIR: What was the amount paid to each of these gentlemen?

Mr. ROCHE: The commissioners received a per diem allowance of $20, and the chairman $25 a day.

Mr. SINCLAIR: They received that amount for three years?

Mr. ROCHE: Yes.

Mr. OLIVER: I think it is a most fortunate thing for this Dominion of Canada that the Government of British Columbia changed. This arrangement seems to have been a deal between the Government of British Columbia and the Dominion Government to divide up, as they saw fit, certain valuable assets belonging either to the Indians or to the province of British Columbia, and charging the expense to the province and the Dominion without regard to the Parliament of the Dominion or the legislature of the province. As a specimen of autocratic government and disregard of the rights of the people and of their representatives, I think that stands absolutely in a class by itself.

Mr. SINCLAIR: I see that in addition to his salary Mr. White received a living allowance of $10 a day. Was that the case with the other commissioners?

Mr. ROCHE: Yes.

Mr. SINCLAIR: And travelling expenses too?

Mr. ROCHE: Just transportation.

Mr. TURRIFF: What is the object of allowing $10 a day for living allowance? If the commissioners stayed at the Canadian Pacific Railway hotel in Victoria all the time it would only cost them $5 a day. At the small hotels it would cost them much less, and in cases where they had to carry provisions with them, it would be less still. The minister must know that it never costs $10 a day to live in British Columbia.

Mr. ROCHE: Some of these gentlemen were engaged in professional life, and they had to throw up their professions. British Columbia is an expensive country to live and travel in. All these things were considered when the Order in Council was passed, and the Government came to the conclusion that $10 a day would be a reasonable allowance.

Mr. SINCLAIR: The minister seems to have raised the rate per diem. I see that from April 1, 1915, to March 31, 1916, the chairman was allowed 366 days at $25 a day, or $9,150; also a living allowance of $10 a day for 366 days, $3,660; and travelling expenses $121.75, making a total for Mr. White during that period of $12,931.75. He was paid for Sundays throughout the whole year.

Mr. ROCHE: Yes, the regular salary of $25 a day and $10 living allowance.

Mr. SINCLAIR: Were the commissioners all paid on the same basis?

Mr. ROCHE: Yes, except the chairman.

Mr. OLIVER: What is the position with regard to the Kitsilano reserve?

Mr. ROCHE: The Vancouver Harbour Commissioners wanted this property for harbour purposes and they expropriated it. The price was to be fixed by a board of arbitration. We were not satisfied with the judgment of the board, and the case is now being appealed.

Mr. OLIVER: What was the amount of the award?

Mr. ROCHE: $666,000.

Mr. OLIVER: What amount was paid for the reserve by the British Columbia Government?

Mr. ROCHE: The Indians got out of it something in the neighbourhood of $216,000.

Mr. OLIVER: Has the British Columbia Government been repaid that amount?

Mr. ROCHE: No.

Mr. OLIVER: Is it proposed to repay the British Columbia Government that amount?

Mr. ROCHE: Our future action will be decided after the arbitration is over. We place a higher valuation on the reserve than

the arbitrators did. That is the reason we are not satisfied with the award, and we have appealed it to the judge. The appeal will soon be heard, and then we shall decide what to do as to winding up between the British Columbia Government and the Dominion Government in view of the amount they have expended.

Mr. OLIVER: Did the Dominion Government fix the amount they would be willing to accept for the reserve?

Mr. ROCHE: Yes, we considered that the reserve should be worth about $1,250,000.

Mr. OLIVER: And the arbitrator gave $660,000.

Mr. ROCHE: Yes.

Mr. OLIVER: And the Indians got——

Mr. ROCHE: They got $216,000.

Mr. OLIVER: There is some difference in the figures. This Kitsilano Indian reserve was presumably the property of the Indians. It was under the jurisdiction and administration of my hon. friend (Mr. Roche). While it was under his jurisdiction and administration, some person or persons presumably acting for the Government of British Columbia, without let or hindrance from the minister so far as we know, went in and made arrangements with the Indians under which the Indians were paid $216,000, and they vacated the reserve. There never was such a case in all the history of Canada before—that the Government of the Dominion neglected to exercise that jurisdiction and assume that responsibility that properly rested upon their shoulders for the protection of the interests of the Indians. They allowed the Indians to be dickered with by these agents, more or less responsible; they allowed them to be removed from the reserve; they allowed their buildings to be burned; and they allowed the Government of British Columbia, I believe, or the hirelings of that Government, to assume jurisdiction over that reserve as though it were their property and not the property of the Indians or under the jurisdiction of my hon. friend. I do not know whether I said at the time, but I say now —but, perhaps I am wrong in suggesting that this was under the jurisdiction of my hon. friend; I believe the undertaking originated under his predecessor—that I am unable to conceive that this conjunction of circumstances could have taken place without a definite understanding between the gentleman, whoever he was, then at the head of the Indian Department of the Dominion of Canada, and those who directed the affairs of the province of British Columbia, and interesting themselves in these transactions. What their purpose may have been I am not here to say, but I know what the purpose of the Superintendent General of Indian Affairs ought to have been, and that was to secure the Indians their rights and the full extent of those rights. Anything else than this was a dereliction of duty, and was a reflection on the good faith of the Dominion of Canada and behind the Dominion of Canada on the good faith of the British Crown. There were other moneys paid besides those paid to the Indians. I do not know whether the amount my hon. friend has stated to me is the total amount that was paid by the Government of British Columbia, but some money was paid to the Indians, and some was paid to friends of that Government, because these moneys afterwards became the subject of a lawsuit, and so of public record. Were the amounts so paid outside of what was paid to the Indians included in this $216,000?

Mr. ROCHE: I understand that moneys were paid by the British Columbia government, by way of commissions that were unwarranted. These are not included in the $216,000.

Mr. PUGSLEY: Was the amount about $100,000?

Mr. ROCHE: I do not know.

Mr. OLIVER: My recollection is that the amount was in the neighbourhood of $80,000. That would bring the total payments of the British Columbia Government to about $300,000, of which the Indians received $216,000, and the friends of the British Columbia Government, $80,000. This feature makes the transaction even more remarkable than it was in the beginning. Does this $216,000 include the expenses of removing the Indians as well as the cash payments made to them?

Mr. ROCHE: Only the cash payments.

Mr. OLIVER: So that besides the $216,000 there were the removal expenses and the commissions. All this money was paid, and all this transaction was entered into, either with or without the knowledge and consent of this Government through its then Superintendent General of Indian Affairs. If this transaction went on without the

knowledge of the Superintendent General of Indian Affairs, then he was so utterly negligent of his duty that he should be condemned; and if it went on with his knowledge, there is no other possible suggestion that that he was a party to the transaction for reasons other than the public good or the benefit of the Indians. The Indians owned that property. If there was any question as to their ownership, it was certainly not the business of the Superintendent General of Indian Affairs to question that right; it was his business to maintain that right, to maintain it to the limit of his powers under the law. But instead of doing that he did not even exercise the ordinary supervision that his duty requires him to exercise, to prevent unlawful access to the reserve, unlawful trespass upon it, the unlawful destruction of property of the Indians upon it, and the improper and unlawful transactions with the Indians concerned.

There is no way in which the Superintendent General of Indian Affairs can justify his position in connection with this transaction. The Government of British Columbia, so my hon. friend says, went into this transaction. They put up this $216,000, they put up the moving expenses and they put up the commission. Why did they do it? Was it the Government that did it, or was it the members of the Government that did it, using the treasury of the province to enable them to do it? However, the transaction went on, and whether it was the exposure made in the House of Commons, or whether it may have been protests made on the Pacific coast, for some reason or other apparently it did not go through as intended. Now, the Superintendent General of Indian Affairs, who was asleep at the switch when these transactions were going on, has awakened. He is now doing business. He now claims that the Indians own the reserve and he is proposing to deal with the Harbour Commissioners of Vancouver for its sale. I think I remember that when this matter was considered before, my hon. friend from Vancouver (Mr. Stevens) had bright hopes that this reserve was going to be made a present of to Vancouver, or that in some way Vancouver was to benefit immensely out of these transactions, in which the Government of British Columbia was the chief actor, and to which the Superintendent General of Indian Affairs was a consenting party. Apparently these bright hopes of my hon. friend have been shattered.

[Mr. Oliver.]

Mr. STEVENS: My hon. friend is again in error.

Mr. OLIVER: Did not my hon. friend entertain such hopes?

Mr. STEVENS: No, my hon. friend is entirely and absolutely wrong in his idea.

Mr. OLIVER: Thank you. The present that the Superintendent General of Indian Affairs purposes not to hand to the city of Vancouver is the difference between $350,000, say, and $1,250,000, a difference of about $900,000. That certainly would be sufficient to make the citizens of Vancouver sit up and take notice and greet with enthusiasm the action of the late Government of British Columbia and the support that my hon. friend gave it in the House when the matter was up.

Mr. STEVENS: My hon. friend is again mistaken.

Mr. OLIVER: My hon. friend did not support it in the House at that time?

Mr. STEVENS: Not only did I not support it in the House, but I never supported the action of the provincial government My hon. friend is wrong in all his arguments.

Mr. OLIVER: Then, if I am wrong in that particular it is my hon. friend's privilege to correct me, but I am not wrong as to the actual facts, or as to their sequence apart from my hon. friend's action. There is no argument on that point.

Mr. STEVENS: I will show my hon. friend in a moment.

Mr. OLIVER: That will be his privilege also. Then, the arbitrator as between the Harbour Commission of Vancouver and the Department of Indian Affairs has decided that the property is worth a certain amount, and I suppose the Harbour Commission is willing—would I be right in suggesting that it is willing—to pay the amount that the arbitrator has awarded for the property, namely $660,000. Whether it is or not, a responsible arbitrator—I presume he is responsible—has decided, long after the real estate boom has burst and when property does not hold the value it did three, four or five years ago, even in the city of Vancouver, that the property is worth twice as much as the Government of British Columbia bought it for, assuming that they did buy it, and twice as much as the then Superintendent General of Indian

10 p.m.

Affairs was willing that they should buy it for.

Mr. STEVENS: That is wrong, too.

Mr. OLIVER: Well, at any rate, my hon. friend will agree that the late Superintendent General of Indian Affairs did not prevent them from buying it and that he might have done so.

Mr. STEVENS: He did everything possible to.

Mr. OLIVER: He had a right to prevent trespass upon that reserve. He did not take any measures to prevent trespass on the reserve, and I say again that I am bound to reach the conclusion, on the facts now laid before us, that he was a party to the transaction in the expectation of ultimate benefit to others than the Indians or the public.

Mr. STEVENS: That is wrong too.

Mr. OLIVER: It seems strange that, when the fall of the Government has occurred in British Columbia and when a king has arisen there who knows not Joseph, the price of this reserve suddenly rises from a little over $300,000, paid to the Indians, paid for their transportation and paid for commissions that were the subject of a lawsuit, to which figure the Superintendent General of Indian Affairs at that day must have consented, to the figure of $1,250,000.

Mr. STEVENS: Again my hon. friend is wrong. One million two hundred and fifty thousand dollars was the price fixed by the Superintendent General of Indian Affairs about four years ago and not since the accession to power of a king who knows not Joseph, as my hon. friend suggests.

Mr. OLIVER: My hon. friend will remember that when I asked the present Superintendent General of Indian Affairs what was the valuation of the land placed by his department—

Mr. STEVENS: That is the price placed upon the land four years ago.

Mr. OLIVER: —he said $300,000, and my hon. friend will agree, and the Superintendent General of Indian Affairs will not deny, that within the last fifteen minutes he has told us that the Government had refused the arbitrator's value of $660,000, which is more than double the total amount of money that was paid for the reserve by the British Columbia Government with the consent of my hon. friend and his predecessor, the Superintendent General of Indian Affairs.

Mr. STEVENS: The Superintendent General—

Mr. OLIVER: My hon. friend will have all the opportunity he wants.

Mr. STEVENS: But I was just going to correct my hon. friend.

Mr. OLIVER: My hon. friend can make his correction later. I am just about through anyway. I want to establish the fact that under one set of circumstances, when the prices of property were booming, this property was considered to be worth $300,000 or perhaps a little over, but in conditions of real estate collapse, it is now considered by a responsible arbitrator to be worth $660,000. My contention is that if it is worth $660,000 that money belonged to the Indians, and what I am desirous of asking the Superintendent General of Indian Affairs is: If he gets the price he should get for it, whether it is $660,000 or $1,250,000, or whatever sum it may be, what disposition does he propose to make of that money?

Does he propose to pay to the British Columbia Government the amount that they paid including this commission, and what disposition does he propose to make of the balance of the money? Has the question of the donation of this reserve to the harbour commissioners or the city of Vancouver come up at any time or under any circumstances?

Mr. ROCHE: My hon. friend asks me whether we are going to recoup the British Columbia Government for the money they have spent. What we have promised to do is to arbitrate on the value of the reversionary interest claimed by the province of British Columbia in this reserve. The British Columbia Government have always claimed a reversionary interest in this reserve, and we have decided to arbitrate, and if a certain value is placed on the reversionary interest coming to British Columbia, we will have to abide by that. The amount over and above that will certainly go to the Indians. As to the remark of my hon. friend that I placed a value of $1,200,000 or $1,250,000 on it, he did not ask me if that was placed on the reserve since the defeat of the late provincial government. That was placed several years ago.

Mr. OLIVER: The value of $660,000 fixed by the arbitrator was since the defeat?

Mr. ROCHE: The arbitration was decided within the last few months.

Mr. OLIVER: That was since the defeat of the late provincial government?

Mr. ROCHE: Certainly. Do you think that has anything to do with it?

Mr. STEVENS: Mr. Chairman, my hon. friend from Edmonton (Mr. Oliver) has, by a series of rather cleverly constructed statements, sought to involve the Superintendent General of Indian Affairs of the Federal Government in a transaction which he knows perfectly well has nothing whatever to do with this department. I have had a very close knowledge of this matter from the very commencement, and I wish to state that the greatest credit is due to the Superintendent General of Indian Affairs for the firm stand he has taken on this question from the beginning. The facts of the case are very different from the impression conveyed by the hon. member for Edmonton, and, I am surprised that he, with the opportunities he has had during the last three years of ascertaining the facts, should attempt to make the cheapest kind of political capital out of a question which reflects only credit upon this Government, whatever may be his estimate of the action of the provincial government of British Columbia.

The facts are briefly something along this line: About four years ago, the provincial government, as a result of a general feeling in the city of Vancouver that this reserve should be utilized for other purposes than that of an Indian reserve, undertook to get possession of it from the Indians. In order that the House may have a correct view of the situation, they should know the location of this reserve. My hon. friend from Edmonton knows perfectly well where the reserve is situated, practically in the heart of the city, at the mouth of False creek, in a very important and strategic point in the harbour.

Mr. OLIVER: I do not like to interrput my hon. friend, but I should like him to keep a little closer to the line. My hon. friend is hardly correct in saying this reserve is situated in the heart of the city. It is well situated, but it is not in the heart of the city.

Mr. STEVENS: It is in the heart of the city.

Mr. OLIVER: It may be in the heart of the city geographically, but it is not in the business centre.

Mr. STEVENS: It is in the heart of the business centre.

Mr. PUGSLEY: In the heart of the future city.

[Mr. Oliver.]

Mr. STEVENS: My hon. friend is not correct. I know what I am speaking about; it is within half a mile of the Vancouver hotel.

Mr. OLIVER: Across False creek.

Mr. STEVENS: And there is three miles of solidly constructed property in each direction from it except on the water side, both west and south. It is right on False Creek which is a hive of industry. During the past five, six, seven or eight years, there has been a tonnage of from three to five million tons of coastwise trade in and out of False Creek, starting at a point immediately adjoining the reserve and up the creek, and immediately across within 100 yards of the reserve on the other side. False Creek, of course, is a little arm of the sea, about two miles in length. It is a perfect hive of industry, and that is where the Kitsilano Indian reserve is. My hon. friend sought to lead the House to believe that the provincial government went on the reserve and in some subtle manner induced the Indians to leave, and then burned their houses and arbitrarily took possession. That is not the fact. My hon. friend knows it, or ought to know it. The Kitsilano Indian reserve was never a reserve of residents. It belongs to certain bands of Indians, part of the Squamish tribe. They live chiefly on the Capilano Indian reserve across the inlet, some miles away. They came to False Creek and Kitsilano occasionally, landed with their fishing boats, and went up to the city to make purchases, as they used to land at the old slip at the foot of Gore avenue. Indians generally have some one place where they land. On the reserve were a couple of old shacks, you would scarcely call them shacks, simply a few poles put up with a few old boards to keep them together, and occasionally the Indians used to stay there overnight, to no good purpose for themselves or the community. I think my hon. friend (Mr. Oliver) generally speaking, desires to be honest in his criticism, but in this case I think he has departed from his usual course. He knows perfectly well that there is no greater curse to the Indians of Canada than these reserves situated in the heart of a thickly populated community like Vancouver and some other cities in the West where Indians can come in and are subject to the evil influences of a closely settled city district. That is one of the problems with which the Assistant Super-

intendent General of Indian Affairs is constantly faced. It was exceedingly desirable that this reserve should be turned into useful industrial property and the Indians properly compensated. When my hon. friend (Mr. Oliver) was Superintendent General of Indian Affairs he was asked by the city of Vancouver time and time again, and he knows that the candidate representing the party which he represented in this House, on the hustings in Vancouver, promised the people of Vancouver that if returned to power his Government, that is the late Government, would make a present of this reserve to the people of Vancouver. That was one of the baits held out to the people of Vancouver. The statement of my hon. friend that I had made such suggestions is absolutely without foundation. Not only did I never make that statement, but I have always held, as my correspondence on the records of the department will show, that the Indians should be properly compensated for that property and that any transfer should be under the direction and control of the Indian Department. But here is what occurred. The old provincial government, knowing the sentiment of Vancouver desired to get rid of the Indians on the Kitsilano Indian reserve. They took the ground that they had a reversionary right, and that if the Indians left the reserve and abandoned it the reserve reverted to the province. But, four years ago, the moment I heard that action was being contemplated by the provincial government, I took the view that they had no such right and that the reversionary right as such did not exist. I hold that view to-day. I placed that view before the department who at once took cognizance of it, and the Prime Minister, on the floor of the old House of Commons, the first time it was brought to his attention, stated that this Government, under his leadership, had given no authority to the provincial government to take the action which they did.

Moreover, he stated on that occasion and on several occasions since that this Government had never recognized the right of the province to take the action that they did. Agents of the provincial government induced the Indians to accept $216,000 and $1,500 for the removal of some dead bodies which were taken to another reserve. The Superintendent General of Indian Affairs, the Assistant Superintendent General of Indian Affairs and I myself hold that the provincial government had not acted according to law, or according to their rights, and the action was never recognized by this Government. This Government deserves from my hon. friend not condemnation, but credit.

My hon. friend states that this Government stood aside and allowed the provincial government to take possession and remain in possession of that reserve. The provincial government had never been properly in possession of that reserve. My hon. friend infers that the Harbour Commissioners dealt with the provincial government or with some other authorities for the purchase of this reserve. This is what occurred. The Harbour Commissioners, recognizing the value of this reserve for harbour purposes, and acting under the authority of their Act of incorporation, expropriated the reserve. How did they expropriate it? They offered this Government $500,000 for the reserve about two years ago, but the Superintendent General of Indian Affairs refused the offer on the ground that the amount was not sufficient. They then notified this Government that they intended to take proceedings to expropriate. It was necessary to get the consent of the Government. The Government consented, and a board of arbitration was appointed, consisting of Mr. C. E. Mahon, alderman of the city of Vancouver; Mr. Boreland, a prominent citizen of about 25 years' standing in that city, and Mr. Pound, a gentleman of the highest standing in Vancouver on arbitration matters concerning real estate. Mr. Pound, by the way, is treasurer of the Liberal Association in the city of Vancouver—and he is a gentleman from the soles of his feet to the crown of his head. This board was appointed before the election last fall, so there can be no suggestion of political influence. They sat in arbitration for some months, after which they adjourned because Mr. Livingstone, representing the Indians and the Crown, had to attend Supreme Court in the East. Their finding, which was brought down, if I remember rightly, in January of this year, was that the reservation was worth the sum of $666,000. My hon. friend seeks to make capital out of this. He says that the Government allowed the reserve to be sold in boom times for $216,000, which is absolutely without foundation in fact. This Government not only opposed the action, but prevented it as far as it was able. Then, he says, in a time of collapse, the board of arbitration found that the property was worth $666,000. The facts in that regard are these: the board of arbitration, as by law they were

bound to do, fixed a price as at the time of the filing of expropriation papers, which was about two years ago. My hon. friend knows that when expropriation is undertaken, the date of filing the original expropriation papers is the date at which the price is fixed. At that date and on that basis $666,000 was the award made. The Superintendent General, through his technical advisers in the department, claims that the reserve is worth $1,250,000. I say frankly that in my opinion the valuation of the Superintendent General is much too high. I will tell you why. There has been a difference of opinion between the Indian Department and the Justice Department as to whether this or any Indian reserve carries with it the ownership of the solum of the harbour abutting on the Indian reserve. If it does, it means a great increase in the value; if it does not, it means a great difference the other way. This reserve has a very important water frontage along a portion of the harbour. If the Indians have the ownership of the bed of the harbour out to the headline or the low tide mark. then the reserve is worth more than if their ownership extends only to the high tide mark. After careful thought I, with many others, came to the conclusion that the Indians own to the high tide mark, and that beyond that they have nothing but riparian rights—simply the right of access to and from the water, and nothing else. The riparian right carries with it no ownership; simply the right of access. The value of the ownership of the bed of the harbour and the value of the riparian rights are two vastly different things. The Superintendent General of Indian Affairs based his value of $1,250,000 on the premises, I believe, that the Indians owned the foreshore and the bed of the harbour. I contend that that is wrong; the arbitrator decided that that was wrong.

Mr. PUGSLEY: What is my hon. friend's opinion as to who owns the foreshore?

Mr. STEVENS: The Crown, represented by the Dominion Government. That has been decided in this particular case.

Mr. PUGSLEY: Then if it has been decided in this case, the Indians cannot own it.

Mr. STEVENS: The question was decided as between the right of the Crown as represented by the province and the right of the Crown as represented by the Dominion.

Mr. PUGSLEY: When?

[Mr. Stevens.]

Mr. STEVENS: A couple of years ago; I cannot remember the date.

Mr. PUGSLEY: I understand that the British Columbia Government has always contended that the foreshore of a harbour which at the time the province entered Confederation was not actually used for the purposes of a public harbour and on which no public improvements had been made, would vest in the province. Then the question as to whether the Indians own or not would depend on their title. Some Indians own to low water and some to high water.

Mr. HAZEN: The Privy Council decided that if a harbour was a public harbour at the time of Confederation, the foreshore is the property of the Crown as represented by the Federal Government.

Mr. PUGSLEY: When I was a member of the late Government and Sir Richard McBride was premier of British Columbia, his Government, when Prince Rupert was established, claimed all the foreshore in the harbour of Prince Rupert.

Mr. STEVENS: A case was taken to the Privy Council concerning part of the bed of False Creek, which is connected with this reservation, and it was definitely decided that the foreshore was in the right of the Crown as represented by the Dominion Government.

Mr. PUGSLEY: Could my hon. friend give me the name of the case?

Mr. STEVENS: No, but I will tell my hon. friend how the question rose. My hon. friend gave a piece of property, eighteen acres in extent, in False Creek, to Mr. John Hendry, one of his friends in Vancouver, for ten dollars an acre. Mr. John Hendry, two years afterwards, sold that property to the British Columbia Electric for $700,000. That is where the property lies which was decided by the Privy Council—

Mr. PUGSLEY: I have no recollection of giving Mr. Hendry any land whatever. As a matter of fact, the rule of the department and the course of practice governing the Marine and Fisheries Department and the Public Works Department ever since Confederation have been to give, at a comparatively nominal rental, leases of the foreshore to people who actually had the riparian rights; but I have no recollection whatever of giving Mr. John Hendry any such land.

Mr. STEVENS: I can bring the papers down to-morrow if my hon. friend so desires. My hon. friend not only gave this property to Mr. John Hendry, but, to give another illustration, he gave to Mr. Robert Kelly and Mr. McFeely for $3,600 a very large piece of property which was refused to a Mr. J. B. Tiffin who owned the foreshore, and that piece was, through the Exchequer Court, sold to this Government for about $360,000.

Mr. PUGSLEY: Would that be the piece of land which was sold by agents who obtained a very large commission on the sale to this Government?

Mr. STEVENS: No, it was sold by my hon. friend and his Government to Mr. Robert Kelly and Mr. McFeely, one an eminent Liberal gentleman in Vancouver.

Mr. PUGSLEY: For how much money?

Mr. STEVENS: As my hon. friend has diverted my attention to this matter, I will just digress in order to explain the transaction a little further. I am delighted to have the opportunity. My hon. friend year after year refused to give to Mr. J. B. Tiffin, who owned the Red Cedar lumber mill at that point, a lease of the foreshore. Mr. Tiffin had to sell that property and did sell it to the hon. gentleman's friends, and those gentlemen came down here and within about two months got that property for about one-tenth of its value. I do not wish to digress any further.

Mr. PUGSLEY: I would be glad if my hon. friend would give the facts and not draw on his imagination.

Mr. STEVENS: I am not drawing on my imagination.

Mr. PUGSLEY: Just a moment. Does my hon. friend say that the same property that was sold to those people for $3,600 was bought back by the present Government for $360,000?

Mr. STEVENS: I do say it, and I say it was bought back through the Exchequer Court. There was another very valuable piece of property at the sugar refinery that perhaps my hon. friend will remember. It consisted of some 3,000 feet, and about one-tenth of that property that was sold or given away for $4,000 was leased a couple of years ago for three times the amount for which my hon. friend gave it away. Not once since this Government came into office has any Crown grant been given, but simply leases are given, except when a piece of property has been occupied for twenty years or more for industrial purposes, and then grants are given on a valuation very much in advance of anything that my hon. friend ever thought of securing.

My hon. friend thought to divert my attention from the real question before the House, and I will now return to that question. The whole question is whether the Indians have the ownership of that foreshore. The Superintendent General of Indian Affairs fixes his valuation on the assumption that they did; the arbitrators went into the matter very carefully, and they decided that the ownership ceased at high-tide mark, and that from there on the Indians had riparian rights, and the amount of $666,000 has been fixed on that basis and premises. The Superintendent General still persists in his protection of the Indians' rights; he still persists in his valuation; he has appealed from the decision of these three estimable and able gentlemen to the Supreme Court of Canada, and the case is before that court at the present time and will be decided as to the matters of law, ownership and value.

So much for this valuation. This is the point I wish to make, that I think my hon. friend from Edmonton has done a grave injustice to the Superintendent General. From the very outset of this transaction there has never been one moment that the Superintendent General of Indian Affairs has not exercised care and solicitude for the rights of the Indians. My hon. friend asked what was to be done with the money, and the Superintendent General of Indian Affairs answered him partially, if not fully. My hon. friend knows perfectly well that the Indian Act provided that half of the money derived from the sale of Indian property is usually given to the Indians and the other half is placed in a fund and kept at Ottawa for the benefit of the Indians. That is exactly what the Superintendent General intends to do when this award is completed; he intends that the money shall go entirely to the use of the Indians.

Let me turn for a moment to the Indians themselves and to their action. The Indian accepted $216,000 for their interest in this reserve, and this amount was divided up amongst about twenty Indians. These Indians are satisfied with what they have received and they have given up all their rights. My hon. friend, naturally, in his endeavour to make a little political capital, tried to involve the Superintendent General in that transaction, and he said this: By the very fact that the provincial Govern-

ment paid those Indians, the Superintendent General must have been a party to the transaction, and in some way or another, his friends benefited from it. That did not follow at all. I hold, and the Superintendent General holds that the provincial Government had no right to carry out that transaction, but the provincial government claimed—and they have some ground on which to base their claim—that they own these reserves the minute they are abandoned by the Indians, and they went to the Indians and asked them if they wanted to abandon this reserve. The Indians replied that they did; the amount was agreed upon, and the reserve was abandoned by the Indians voluntarily. The Indians were not put off the reserve; they went off it willingly, and the provincial authorities then said: This reserve is ours. I have explained to my hon. friend my reasons for saying that the provincial Government was wrong. The Indian is a ward of the Dominion Government; he is in exactly the same position as a minor, as a child under twenty-one years of age, and that child or that minor has no right to abandon a piece of property that belongs to him without the consent of his guardian, and therefore I think the position of the Dominion authorities is sound, and the Superintendent General of Indian Affairs was perfectly right in taking the stand that the provincial transaction was not sound nor right. The question now arises: Is it fair to reimburse the provincial government? I contend that it is right to do so, because if you do not, you will pay the Indians an additional sum. It is quite true that after all, we cannot ignore what the provincial government did. We may say to them: You have spent your money; you had no right to give it to the Indians; go and get it back from them. I suppose that could be done, but that is not a proper view to take of the matter. The Dominion Government naturally say that they are prepared to reimburse the provincial government for such rights as they may establish, and those rights will be established by fair arbitration, I presume by some independent arbitrator such as a Supreme Court judge, or an Exchequer Court judge, or some other authority agreed on between the two parties. I think that fairly well explains the situation. In my opinion, the Superintendent General of Indian Affairs, as representing the Dominion Government, has acted in good faith, and he deserves credit for safeguarding the rights of those Indians.

[Mr. Stevens.]

Mr. PUGSLEY: I would not have detained the committe but for the extraordinary statement which my hon. friend seemed to think it was necessary to make in regard to the action of the department over which I presided for some few years, in regard to a piece of property at the city of Vancouver. The matters to which he has referred have nothing whatever to do with the question under discussion, but thinking in some way to discredit the management of my department the hon. gentleman has stated that I practically gave away the foreshore rights in the city of Vancouver to friends, which foreshore rights were of very considerable value. It is nearly six years since I was minister, and I do not recall any of the cases to which my hon. friend refers. But I do know that ever since Confederation there has been a rule in the department that in respect to foreshore privileges leases will be given at almost a nominal rental to the riparian owners for the purpose of making improvements to the property, by way of erecting wharves, factories or other buildings. That was the rule long before I came into Parliament, and I have no doubt it is the rule followed by my hon. friend the Minister of Marine and Fisheries.

Mr. HAZEN: The leases are given by Order in Council on the joint report of the Minister of Marine and Fisheries and the Minister of Public Works.

Mr. PUGSLEY: I think the matter is always initiated in the Department of Marine and Fisheries. The valuation whether rental or purchase price is fixed by that department, and not by the Department of Public Works. Then the engineer of the Department of Public Works reports whether there would be any objection from the public standpoint, whether there would be any obstruction to navigation, and so forth.

Mr. HAZEN: There is a report from the engineer of the Department of Marine and Fisheries that it would not interfere with navigation, and a report from the engineer of Public Works that the property is not required for public purposes.

Mr. PUGSLEY: I think the minister will agree that the valuation is fixed by the Department of Marine and Fisheries, and therefore my hon. friend from Vancouver is barking up the wrong tree.

Mr. HAZEN: I do not say the valuation is actually fixed by the Department of Marine and Fisheries. The report is signed

by both ministers, but the matter certainly initiates in the Department of Marine and Fisheries. Then it goes to the Minister of Public Works, and if he approves he joins in the report; so both ministers agree.

Mr. PUGSLEY: But the signature of the Minister of Public Works is of a more formal character. He simply has to decide whether the property is required for public purposes. The matter always originates with the Department of Marine and Fisheries, which fixes the valuation. That was the practice when I was minister; it has been the practice ever since Confederation, and I have no doubt it is the practice to-day. So my hon. friend is barking up the wrong tree when he attacks me for making an arrangement with regard to the rental at which the foreshore rights in Vancouver City should be leased. It is a perfectly simple matter. The riparian owner, having land fronting on navigable water, can prevent any obstruction being erected which would in any way interfere with his access. He can have approach to his land by steamer, scow or any other vessel which can navigate to it. No person would be allowed to erect an obstruction in front of his property, and if any one attempted to do so the owner could obtain an injunction, compelling him to remove the obstruction. All Governments ever since Confederation have favoured granting foreshore rights to people who own the land facing the water, provided they required the foreshore for the purposes of improvement.

Mr. STEVENS: My hon. friend is perfectly correct in stating that the two departments co-operate in fixing the price. Would my hon. friend accept the valuation of the Chief Engineer of the Marine and Fisheries Department in signing his report?

Mr. PUGSLEY: The practice with me was always this: There would come to my department a report signed by the chief engineer of the Marine and Fisheries Department, and a recommendation to council signed by the minister, and I would accept the report of the Minister of Marine and Fisheries as to valuation.

Mr. STEVENS: Inasmuch as my hon. friend had to sign these reports in regard to this property which was given by Order in Council for $180, and two years afterwards sold for $600,000—

Mr. PUGSLEY: Was that a sale?

Mr. STEVENS: An absolute sale. The Crown grant was made, and the sale took place from John Hendry to the British Columbia Electric.

Mr. PUGSLEY: Did Mr. Hendry sell all the riparian rights as well in that transfer?

Mr. STEVENS: It was foreshore, which included riparian rights.

Mr. PUGSLEY: If it was solely foreshore how could they get access to it except by water?

Mr. STEVENS: It was exactly the same property that my hon. friend gave for $180. I wish to ask a second question. If my hon. friend accepts the valuation of the chief engineer of the Marine and Fisheries Department, why did he override at that time the valuation of $180,000 fixed by Colonel Anderson, chief engineer of the Marine and Fisheries Department, and sell the land for $10 an acre, or $180.

Mr. PUGSLEY: The answer to that is I do not believe I did anything of the kind.

Mr. STEVENS: I will bring down the papers to-morrow.

Mr. PUGSLEY: I wish my hon. friend would. I am satisfied he is entirely mistaken.

Mr. STEVENS: I am positive I am right.

Mr. PUGSLEY: With regard to the sale which Hendry may have made to the British Columbia Electric, I venture to say he sold not only the foreshore, but a large area of land fronting on the water, which of course would include riparian rights in the foreshore. The remark which my hon friend has made with regard to property being sold to this Government for $360,000 reminds me of rumours which I have heard from Vancouver, that certain friends of my hon. friend the member for the city of Vancouver had succeeded in getting an enormous sum from this Government for a property which was worth very much less than the Government paid for it. That perhaps accounts for the rumours I have also heard that certain gentlemen received large commissions in connection with the transfer of that property.

Mr. STEVENS: What property does my hon. friend refer to?

Mr. PUGSLEY: The property is said to have cost $360,000, and the rumours I have heard reflect very seriously upon my hon. friend and friends of his.

Mr. STEVENS: As my hon. friend has brought that matter up, I will tell him that the dock site in Vancouver was chosen by engineers of the department without any interference whatsoever; and what property did they chose? Did they go to friends of this Government? No, they bought a piece of property belonging to Mr. Robert Kelly and Mr. McFeely, two of the most prominent Liberals in Vancouver. How did they buy it? Not as my hon. friend has no doubt done, by means of a nice private transaction between the department and the owner. No, they took it to the Exchequer Court. There was absolutely no middleman of any kind whatsoever, and I defy my hon. friend to produce one scintilla of evidence to show that there was even a middleman, let alone him getting anything out of it. The matter was not settled even by arbitration, but was taken to the Exchequer Court, and as the award was not satisfactory to Kelly and McFeely, the case was appealed. My hon. friend has no right to insinuate that there is anything in the transaction reflecting upon me unless he is in possession of facts to prove it. The facts that I have given can be proved beyond all peradventure by Order in Council. Yet the hon. member presumes to stand up in his place and throw out what I consider the contemptible insinuation that I was mixed up in the transaction, and that I or friends of mine profited by it.

I again challenge him and defy him to produce one scintilla of evidence to show that there was even a middleman in the property, let alone any commission. He knows, if he knows anything about it at all, that what he says is absolutely without the slightest foundation in fact.

Mr. PUGSLEY: The hon. gentleman says I have no ground for the suggestion I made, and that neither he nor his friends were interested. If he knows that I gladly accept his word. The statement on which I was relying was contained in a letter which I received from Vancouver, in which reference was made to—

Mr. STEVENS: Will the hon. gentleman give me the name of the writer? Will he give it to the committee?—or to Mr. Speaker?—or to the Prime Minister?

Mr. PUGSLEY: I was speaking from memory. The letter was received by me last year or the year before. Whether I have it on file now or not I do not know. But the statement in that letter is corroborated by the statement of the hon. gentleman himself that these gentlemen paid something like $3,000 for a property for which they received from this Government the princely sum of $360,000.

Mr. STEVENS: Under award of the Exchequer Court.

Mr. PUGSLEY: These awards depend largely upon the counsel engaged and the witnesses called to give information to the judge. The hon. gentleman (Mr. Stevens) is too old a bird not to understand how these things are done. He may smile, but I think he knows how these things are done —with friendly counsel and friends all around who are not desirous of making too hard a bargain. The hon. gentleman speaks of Mr. Robert Kelly. Mr. Kelly is a very fine fellow; indeed, one of the best men in the city of Vancouver. But I have yet to learn that if Mr. Kelly had a property he wanted to sell to the Dominion Government, say for a wharf site, he would be averse to availing himself of the assistance of friends in representing the value of that property to the Government. I do not know that that would be a serious reflection upon his standing or reputation. The hon. gentleman (Mr. Stevens) has said that there was no middleman—

Mr. STEVENS: Absolutely none.

Mr. PUGSLEY: If he says that there was none, and that his friends were not interested, and that the Government agents first approached Mr. Kelly, or whoever owned the property, in the ordinary business way, and the case was tried out bona fide, and the full evidence presented, and that the Government got the land at a fair valuation, I am prepared to accept his statement.

Mr. STEVENS: And Mr. Kelly and his associates were dissatisfied with the award of the Exchequer Court.

Mr. PUGSLEY: I do not see why they should be greatly dissatisfied in view of the fact that for a property for which they paid $3,000 they got $360,000. Gentlemen in the part of the country from which I come would be greatly pleased with such a transaction. What was the frontage?

Mr. STEVENS: About 350 feet, so far as their particular part was concerned. Let me correct my hon. friend—he has had quite a little spell at it now, let me put in a moment's correction. Because the hon. gentleman has peculiar ability in misleading the House somewhat in matters of fact. Let me remind him that it was he who

signed the Order in Council together with the head of the Marine Department in the Government of which he was a member, which gave this property to his friends for the remarkably low sum of $3,600. If any crime against public right was committed, the guilt lies at the door of the late Government. The value placed upon the property by the Exchequer Court was a fair value. But these gentlemen had a Crown grant from his Government, and it is the price that Government accepted on behalf of the people of Canada to which I was calling the attention of the Committee, and to which attention should be called. He is not going to get away from it by trying to slip it around to the allegation that the present Government paid more than it ought to have paid. They paid what the Exchequer Court awarded, after a hearing that was bitterly fought out.

Mr. PUGSLEY: The foreshore, the hon. gentleman says, was 350 feet. How much of that is actually occupied by any wharf, building, or other structures?

Mr. STEVENS: There was an old mill.

Mr. PUGSLEY: What was the depth of the property from high water to low water?

Mr. STEVENS: He is not going to get me tangled up in matters of that kind. The foreshore sold by his Government——

Mr. PUGSLEY: I am asking now about what was sold to this Government.

Mr. STEVENS: The hon. gentleman is not trying to find out the facts, but is trying to make the matter appear an involved one to the members of the committee and to Hansard. His Government presented Mr. Kelly and Mr. McFeely a property from high tide mark out beyond low tide mark—I have forgotten the exact distance, but I think it was 700 feet—for $3,600. From high tide mark to the inner boundary of the property was a comparatively short distance.

Mr. PUGSLEY: What distance?

Mr. STEVENS: It varies, as it was a kind of a bay. It might be 100 feet.

Mr. PUGSLEY: What was the distance between high tide and low tide?

Mr. STEVENS: That had nothing to do with it, because it was not from high tide to low tide, but he gave from high tide 600 feet out and beyond low tide.

Mr. PUGSLEY: If any one is trying to mislead the committee, it is the hon. gentleman (Mr. Stevens), unless he is speaking in ignorance of the law. He ought to know that no Government could give Mr. Kelly or any one else rights beyond low tide, for that is common to the whole world; it does not belong to the Crown, and I venture to say that this Government never undertook to grant it. If Mr. Kelly built out into the navigable harbour, he had no right to do so. I understand now that he built out about 600 feet.

Mr. STEVENS: No, I said that the area covered by the Crown grant recommended by the hon. gentleman in his report to council and by his associate the then Minister of Marine and Fisheries was approximately 600 feet.

Mr. PUGSLEY: The hon. gentleman said it went out beyond low water mark.

Mr. STEVENS: Certainly.

Mr. PUGSLEY: I say it could not do so, because the Crown has no right beyond low water mark. He says that in addition to these rights Mr. Kelly and his associates owned the riparian rights as well, and that these were sold to this Government in conjunction with the foreshore. There is the difference. The foreshore right is practically of no value whatever as distinct from the rights of the riparian owner, because the riparian owner could prevent any obstruction being placed in the foreshore; but with the two holding together he has something that he can dispose of as a joint property. The hon. gentleman will recognize that he is the one who has tried to deceive the committee because the foreshore rights acquired from the Government for about $3,000 were sold to the present Government for $360,000.

He now says that in addition to the foreshore rights, Mr. Kelly and his associates owned the riparian rights, the whole of which, with certain improvements upon the property, were passed over to the Dominion Government. That is all I have to say. I am sorry to have taken up the time and I would not have done so had it not been for my hon. friend digressing in order to make it appear that the Liberal Government had parted with that property in Vancouver for less than it was worth.

Mr. OLIVER: I am sorry to have to delay the committee, but it is so seldom that a statement such as I made finds such exact corroboration from the other side of the House as my hon. friend from Vancouver (Mr. Stevens) was good enough to

give me this evening that I cannot help but draw attention to it. We find ourselves in absolute agreement on almost all important points. He is just as certain as I am that the absolute right to the Indian reserves in British Columbia rests in the Indians and is absolutely under the jurisdiction of the Superintendent General of Indian Affairs. He explains to the committee, and I entirely agree with him, the ostensible principle under which the then mittee. But they claimed the absolute right to all abandoned reserves. If they could secure the abandonment of this reserve, they would become its owners, and so they employed agents to deal with the Indians to secure that abandonment to the end that they might become the absolute owners. Now, we are absolutely in agreement upon this line of facts and there is no argument about the matter. We disagree when he says that the then Superintendent General of Indian Affairs in any way contested the action of the British Columbia Government at that time or in any way undertook to protect the interests of the Indians or the rights of this Government as protecting the Indians. He declares to the committee that this Government, through its Superintendent General of Indian Affairs, did everything it could to protect the Indians against this attack upon their rights, which he has described so accurately. He will remember that when this transaction was actually in progress, it was ventilated in the Vancouver papers from day to day and that it was brought by myself to the attention of the then Superintendent General of Indian Affairs. It was therefore absolutely within his cognizance. My hon. friend from Vancouver assures the House that it was absolutely within his jurisdiction and the facts as recorded in the Vancouver papers, and the facts as they occurred, are that the Superintendent General of Indian Affairs did not then or afterwards take any action to prevent this carefully planned, determinedly made and concerted attack upon the rights of the Indians. He admitted so much that there is no use in his attempting to deny what is such a patent fact. I said on a former occasion, and I repeat, that the British Columbia Government, peculiar though their ideas may have been as to the rights, powers and immunities of its membership, did not take $216,000, did not take $300,000 out of the treasury of British Columbia knowing what they did know as to the rights of the Indians and the authority of this Government, unless they had an understanding with this Government on the subject. They would not have risked the penitentiary to that extent.

With regard to the remarks of my hon. friend as to my connection with the matter, I certainly say that I was approached on numerous occasions to secure the surrender of the Kitsilano reserve. I took such measures as were possible to secure its surrender, and if my memory serves me aright, I found difficulties in the way. The legislation which was the subject of discussion between the Minister of the Interior and myself this evening, was brought into Parliament and put through under my auspices for the especial purpose of dealing with the Kitsilano Indian reserve. However, the people of Canada kindly took the responsibility out of my hands and I was not further concerned in it. That is my connection with the Indian reserve and I can assure my hon. friend that whatever any supporter of the Liberal Government may have said in Vancouver—and I would not like to be responsible for everything that everybody in Vancouver might say—he never had any authority from me to say that any such disposition would be made of the Kitsilano reserve when the rights of the Indians in that reserve had been disposed of.

I shall not delay the committee further than to point out that the set of facts that I have placed before the committee has been absolutely substantiated by my hon. friend from Vancouver who was on the ground and is familiar with the circumstances. There certainly has been a change of policy on the part of this Government from the time when they did consent, and must have consented, to the transaction of the provincial government with these Indians on the basis of $300,000 and it is interesting to compare that policy with the policy of to-day which refuses $660,000 as a fair price for the reserve. My hon. friend has told the House that the Superintendent General of Indian Affairs had said that the provincial government would be recouped for the money they had spent.

Mr. STEVENS: No, I did not say that. What I said was that the minister had said that arbitration proceedings would be taken to determine the nature of the rights that the British Columbia Government had and he assumed that the arrangement made would be fair and reasonable. I have taken

this to mean that it would be fair and reasonable to recoup them for the money they paid to the Indians instead of paying the Indians a second time. These Indians usually get half and half goes into a trust fund for the benefit of the Indians. From the half that was given to the Indians, it would be fair to deduct the amount they had already received from the provincial government and return that to them. That is a matter that has to be determined by mutual arrangement and I understand that they have agreed upon arbitration.

Mr. OLIVER: It cannot be both ways, that the amount to be paid to the Indians is to be decided on the basis of the rights of the British Columbia Government as decided by arbitration and also on the amount of money that has been paid to the Indians. It has to be either one way or the other, and if it is one way it is not the other. That is to say, if the amount to be paid to the Indians is to be as the arbitrator decides and in accordance with the rights of the province in the reserve, then this Government does not propose to recoup the province of British Columbia. On the other hand, if they do propose to recoup the province of British Columbia, then the question of the measure of the rights of the province does not come into the transaction. If any evidence were needed to prove my contention, it is offered by this circumstance: the British Columbia government of three or four years ago did not pay $300,000 depending on an arbitration as to the measure of their rights in the reserve to secure its return. There was an understanding between the British Columbia Government of that day and the Superintendent General of Indian Affairs of this Government, to the detriment of the Indians and of the country.

Mr. ROCHE: That has been denied on the floor of Parliament by my predecessor.

Mr. OLIVER: Yes, yes.

Mr. PUGSLEY: The Indian Commission, so called, cost the country $330,000. They were in operation for about three years. There were five commissioners who received $20 a day and a living allowance of $10. That would account for $165,000 as against $330,000. There may be other items—

Mr. ROCHE: There are other items.

Mr. PUGSLEY: Should the minister not give them to the committee?

Mr. ROCHE: They will be found in the Auditor General's Report at pages H—42, H—43 and H—44.

Mr. TURRIFF: In connection with this allowance of $10 a day for living expenses, the chairman of the Commission must have been at home, or at least not travelling, for a great part of the time as his travelling expenses during the three years were $316, $325 and $121. Apparently the $10 a day was allowed whether the Commissioners were travelling or not.

Mr. ROCHE: The Chairman was not at home, as his home is in Nova Scotia. By Order in Council it was provided that the $10 a day for living allowance should be given to the Commissioners while they were engaged on the work. That was done as is usually the case with Commissions of this kind, instead of requiring them to keep tab of each item of expense as is done with subordinate officials of the Government.

Mr. TURRIFF: I quite understand that. But these men were apparently located in Victoria or Vancouver a great part of the time, if they were not at home.

Mr. PUGSLEY: I think the minister should allow the item to stand until members have had an opportunity of examining these detailed items which he has pointed out. For instance, there is the charter of the Union Steamship Company from the 22nd of September to the 5th October, 13 days, $3,400, to take the Commissioners up to the Naas Agency. Then the salary of the secretary seems to have been fixed at $11,000 a year, which seems enormous. Another extraordinary thing is that for the printing of the report there is an estimate of $21,000. There were advances of $8,000 or $9,000 against the printing of the report. The report must have been most voluminous when an estimate of $21,000 was made for printing it. I can hardly imagine any report costing so much unless thousands of copies are distributed. The minister will recognize that these items require explanation. Then there is the salary of Mr. White, the chairman, $12,000; that of the other commissioners, $10,000; the secretary of the commission, $10,980. When the secretary was appointed to the postmastership of Montreal, Mr. Gibbons, who was appointed in his place, received $900 for one month, so I take it that he received the same salary. Ten thousand dollars is a very high salary for the secretary of the commission. The member for Pictou wishes to speak about

some of the items, and perhaps the minister would allow this to stand. It is now twenty minutes after eleven, and I suggest that we adjourn.

Mr. ROCHE: If the hon. gentleman will allow this item to pass I will bring down the information. I would like to go through with the other items, but if the hon. gentleman wishes to stop work of course we will have to do so.

Mr. PUGSLEY: There is no disposition on the part of hon. gentlemen on this side to block my hon. friend's estimates, or the estimates of any minister. This information ought to be before the public in justice to the minister and to the Government, if for no other reason, because if the public see these amounts and have no explanation of them they will think that there is something wrong. I am not making a charge that there is anything wrong, but the only way to show the people that everything is right is to give the information.

Progress reported.

On motion of Hon. Mr. Roche, the House adjourned at 11.23 p.m.

Friday, June 1, 1917.

The House met at Three o'clock, the Speaker in the Chair.

STRIKE AT SOREL.

On the Orders of the Day:

Hon. RODOLPHE LEMIEUX: I understand that two or three hundred men in the Government shops at Sorel have declared a strike and that the Government have decided to close the shops for a fortnight. May I ask the Minister of Marine and Fisheries whether any arrangement has been arrived at?

Hon. J. D. HAZEN (Minister of Marine): We had some trouble there, but I am glad to say that the shops are now open and that work has been resumed.

Mr. LEMIEUX: What arrangements were made with the strikers?

Mr. HAZEN: The men have all gone back to work.

Mr. LEMIEUX: At the same pay?

Mr. HAZEN: We are considering the question of pay. We have granted increases in certain cases where increases were deemed right and proper. As a matter of fact, the matter was being considered when the men took the ill-advised step of striking.

SUSPENSION OF COASTAL REGULATIONS.

On the Orders of the Day:

Hon. Wm. PUGSLEY (St. John): I am informed that the Government has by Order in Council suspended the provisions of the Coastal Act under which United States vessels are carrying grain for the use of the Allies. It is necessary, I assume, that those vessels should use more than one Canadian port. Can the right hon. Prime Minister inform the House whether any action has been taken in the matter?

Sir ROBERT BORDEN: No action has been taken as yet.

SUPPLY.

The House in Committee of Supply, Mr. Blain in the Chair.

Ocean and river service—To provide for the construction of two steamers to replace the Quadra, $150,000.

Mr. PUGSLEY: Will those steamers be constructed in Canada and will they be built of steel or of wood?

Mr. HAZEN: When they come to be constructed, they will be constructed in Canada and they will be built of wood. The Quadra was lost in collision, and we find that we can do very much better by building two smaller vessels than by building one large vessel. We have managed to get along in the meantime by chartering a vessel, and in view of existing conditions, it is not likely we shall proceed with the construction of those vessels this year. That is a matter for consideration.

Mr. PUGSLEY: Has the minister any intimation to make in regard to the building of wooden vessels in eastern Canada. Early in this session we had an intimation from the Minister of Finance that the Government was giving some consideration to the question of constructing wooden vessels, and I think my hon. friend the Minister of Marine and Fisheries rather held out the hope that an announcement on the subject might be made in the not distant future; but to my surprise, the Minister of Trade and Commerce, a few days ago, made the statement that the Government was not building and did not purpose building any wooden vessels in Canada. I am sure that statement will be a disappointment to a great many in eastern Canada

who would like to see the question of building wooden ships actually taken up by the Government.

In this connection, I would also like to call the attention of the minister to the fact that I am informed that the Imperial Munitions Board, limiting, as they have done, to 2,500 tons the size of wooden vessels which they are having built for the Imperial Government, are discouraging people in the Maritime Provinces and in other parts of eastern Canada from the idea of utilizing timber from British Columbia, which timber, as the minister knows, is necessary for the construction of larger vessels. The ground on which that is based is, I believe, that it would be difficult to supply transportation for British Columbia lumber to eastern Canada. I am not sure whether the Imperial Munitions Board, in making that statement, has been influenced at all by the extraordinary action of the minister of Railways in taking up the heavy rails on the Transcontinental and the Grand Trunk Pacific. Of course, the taking up of those rails and the substitution of lighter rails would very considerably interfere with the facilities for the transportation of heavy material at low rates of freight over the Transcontinental road. I would have thought that the Imperial Munitions Board and this Government would be disposed to encourage the bringing of British Columbia timber for use in the shipyards of eastern Canada, and I was very much surprised to learn that the Imperial Munitions Board had taken the action they did. There is, however, in eastern Canada, plenty of material for the building of wooden vessels of smaller size, and it might be desirable to have those two vessels built at once so that something may be done in the way of establishing shipbuilding in eastern Canada.

Mr. HAZEN: Those vessels are for use on the Pacific coast. The Quadra, which they will replace, was used on the Pacific coast in connection with the Marine Department.

Mr. PUGSLEY: If those two vessels were constructed in eastern Canada, they could be taken to British Columbia via the Panama canal. Perhaps this is a good time to ask my hon. friend if anything has resulted from his suggestion to the representatives of the British Government that they should engage in the building of smaller vessels. Only the day before yesterday, at a branch meeting of the Manufacturers' Association, held in the city of St. John, the matter of building smaller wooden vessels came up, and very strong feeling was expressed in favour of the Government taking up the matter of building wooden vessels. Such vessels are very much required, as my hon. friend will agree. It is almost impossible to-day to obtain vessels for carrying on the coastal service of Canada, and it is almost impossible to secure vessels to bring anthracite coal from the Pennsylvania mines for use in factories, for heating dwellings, and for general use in the cities of the Maritime Provinces. The question is becoming a very serious one, and I would like to hear from the Minister of Marine and Fisheries whether any steps have been or are likely to be taken by the Government to engage as a Government operation—I do not mean by encouraging private individuals—in the building of smaller wooden vessels in Canada.

Mr. HAZEN: My information is not exactly the same as that of my hon. friend. I understand that the reason why the Imperial Munitions Board is not prepared to place contracts for wooden vessels of less than 2,500 tons is because that board has absolute instructions on that point from the British Government, and the vessels which the British Government wish are limited to 2,500 tons, and they are not, up to the present time, willing to authorize the building for them of smaller vessels. That is a policy, of course, which they have to determine; they are the owners of the vessels; it is for them that the vessels are being built; it is for them to declare what sort of vessels they require, and they have declared that at the present time they do not want vessels of less than 2,500 tons. The junior member for Halifax (Mr. A. K. Maclean) stated the other night in this House that vessels of that size could not be built in the Maritime Provinces, because it was impossible to secure the lumber to build such vessels. I took the occasion of communicating this statement both to the Colonial Secretary and to the Director of Shipping, Sir Joseph MacLay, pointing out that I trusted that they would reconsider the matter, and that in the public interest they would see whether or not vessels of a smaller size were desirable for their purposes, and, if they were, that orders would be placed in Canada for their construction. I have not received an answer to that communication yet. The question, of course, has to be decided by the British Government, through the Imperial Munitions Board. There are being constructed in the province of Nova Scotia at the present time

by private individuals 48 wooden vessels, the builders believing that there will be a good margin of profit on vessels of that sort, and that it will prove a profitable undertaking. The information I got by letter was to the effect that the vessels were from 1,500 tons down to about 100 tons. The junior member for Halifax, however, said that he did not think any vessels were being constructed in the province as large as 1,500 tons. He said that the largest under construction in the province would be no more than 1,000 tons, and I think he even mentioned 600 tons. If that is the case, the information that was sent to me by a gentleman who I thought was very well informed as to conditions in Nova Scotia, must be erroneous.

The junior member for Halifax pointed out the very great difficulty there would be in building large wooden ships in the lower provinces on account of the difficulty in getting timber. Still, there is considerable activity in shipbuilding in Nova Scotia, as is evidenced by the 48 vessels now under construction. From the information I have received—and the hon. member for Halifax agrees with me—there is no need to give a bonus to encourage the construction of wooden vessels; the junior member for Halifax expressed the opinion that it was neither desirable nor necessary. The reason is that these vessels can be built and operated at a very substantial profit, providing they escape the submarines and mines, on account of the high freight rates.

The question of building ships in this country for use after the war, to be owned by this Government, is a very important one. Hon. gentlemen will, of course, understand that it would involve the expenditure of a very large sum of money, and at the present time when such very large sums have to be raised for the purpose of carrying on the war, the question of raising additional millions would cause the Finance Minister of this country a great deal of concern; it is a policy that cannot rashly be undertaken, but will require the most careful consideration. If private individuals are willing to go into the building of ships of this sort, the Government would not be justified, I think, in entering into competition with them. One of the difficulties in the past about private individuals entering into the building of ships in this country has been the danger of having the ships, after they were completed, commandeered for war purposes, and if commandeered by the British Government they would not earn the ordinary commercial rates, but what are known as approved rates, which have been fixed by a special committee in England and which are not as high as the ship could earn under private ownership. These are all matters of importance and require the most careful consideration. I have not the statement with me that my hon. friend asked for with regard to the number of vessels being built in Canada for the British Government through contracts placed by the Munitions Board, but it has been sent to my office, and I think I shall be able to let my hon. friend have it to-morrow.

Mr. E. M. MACDONALD (Pictou): I have listened with a very great deal of interest to the statement of my hon. friend and I am sorry that he holds out no hope of assistance to the ship building industry, which would mean the development of a Canadian mercantile marine. My hon. friend tells us that the Imperial Government has made arrangements through the Munitions Board for the construction of large ships, which, when constructed, will be under the control of the Imperial Government, and will not be available for our internal trade. The question of adding to the very few ships in Canada capable of looking after the transportation of our products on the sea is to be left over until after the war. That is not a very hopeful outlook. The minister will remember that the hon. member for St. John last year, and two years ago, and on several occasions since, has urged on the Government the absolute necessity of taking some action in this matter, and it is, indeed, disappointing, after all this discussion, to find that the Government have reached the determination to do nothing whatever towards the creation of a Canadian mercantile marine.

The situation in regard to our internal trade is a very serious one. The question of coal, for instance, and how the people of Canada are to be warmed next winter is a very serious problem indeed. At this moment we are absolutely dependent upon what coal we can get from the United States, and there the direct control of the production and output of the American collieries is under the American Government, along lines, which, in the judgment of men connected with the coal trade, creates a condition which the people of this country, having regard to the situation in western Canada, can only view with misgiving and alarm. So far as eastern Canada is concerned, to the great distributing point of Montreal there has always been sent a large

quantity of coal, running from 3,000,000 to 4,000,000 tons, but this year practically no coal whatever can be sent along the ordinary channels, not because the coal is not there, for in a great many cases it is lying in the bank, but because of the lack of transportation facilities by water. Practically every collier that was engaged in transporting coal from Nova Scotia to the central part of Canada has been commandeered by the British Government, and the result is, as every business man knows, that the prospects of getting coal by sea from eastern Canada are very, very poor indeed. The only hope is that the Minister of Railways will deal with the situation by providing a very low freight rate on the railways, but every one will realize that that will not be at all equal to the transportation of coal by water. That is the condition with regard to coal, which is a very important item to the people of Canada. If the British Government, through the Imperial Munitions Board, commandeer our ships for war purposes, where are we going to get the necessary transportation facilities? The minister tells us that 48 vessels are being built in the province of Nova Scotia. Those may or may not be commandeered; they may be sold to the United States.

Mr. HAZEN: No.

Mr. PUGSLEY: I saw by the papers that one was sold only a few days ago.

Mr. MACDONALD: Of course, the Minister of Marine, under the plenary powers given him by the War Measures Act can control the disposition of these vessels. All the small vessels available will be needed to meet the local requirements along our own coast, and if all are of the small character indicated by him they will not supply the needs of the country for transportation covering greater distances. It seems to me the Government ought to take steps to provide for the construction of vessels. Let these vessels be constructed either by the Government direct or by private parties, under subvention or in some other way. The means to be taken should be the subject of consideration by the best technical experts who should advise the country how to deal with this very serious problem. I have made some inquiries myself, and, for one thing, I am advised that the statement made that it is impossible to get the plates for the construction of steel vessels is not an accurate statement. That is the advice I received from those to whose opinions in these matters great weight should be given. Against that advice I would not believe the statement that has been made without evidence of a most indisputable character. We cannot accept the dictum of an hon. gentleman who happens to think thus and so, when we have statements to the contrary from men engaged in the business.

One of the great mistakes we have made in regard to problems such as this is to accept the statement: You cannot do this, it will take too long. We have been saying that in regard to everything material to the welfare of Canada since the war began; and the time has arrived when we must face these problems and must mature a proper, sensible programme in regard to the whole situation. We have been hoping for an early end of the war, and now the conditions facing us are serious enough. It is a question whether we are not now too late, but certainly we are getting nearer every day to the time when it will be too late. The best way to avoid being too late is to start now. Transportation conditions in this country demand most radical action. It will not do to leave this problem to be settled after the war. If you cannot have the ships ready in six months, then lay down a programme to have them ready next spring. The days for the production of wooden ships have not gone by; and every one knows that if a programme were laid down now, before next spring we could place upon the ocean ready for service a huge number of these wooden vessels. And every one of them will be needed, no matter how many you supply. I was told by the Minister of Trade and Commerce (Sir George Foster) ten days ago that every shipyard that could build wooden ships is busy building ships for the Imperial Munitions Board. Yet only two days ago I had a letter from a shipbuilder in my own country in which he told me he was trying to get a contract for a wooden ship, and if he got the contract he would start building at once, but he had not been able to get the contract up to that time. I see by the press that a firm in Sherbrooke have received a contract for supplying engines and other material to provide power for certain scows now under construction. These must be for vessels of a less capacity than the minimum of the wooden ships to be built under the authority of the Imperial Munitions Board. So much for wooden ships.

Now, in regard to steel ships, the House ought to know authoritatively whether or not the Government have made inquiries in the United States and Great Britain,

and whether they have information of a definite character as to the production of steel plates. It is manifest that we ought to build steel ships if we can, because the same appliances, such as machinery, now being placed in wooden vessels will be of much greater value, as giving more permanent results, if placed in steel ships. Having regard to the great interests at stake, the Government should at once take action for the providing of a mercantile marine, and not leave this problem until after the war for settlement. We are now entering upon our summer season, and, even if we cannot have ships ready for the autumn, we ought at least to have entered upon a definite certain programme which will enable us to know that these vessels will be built, either of wood or of steel, so that when the season of 1918 opens we shall have ships enough to meet our transportation needs. The coal problem, I warn the minister and the Government, is at this moment so serious that the question may face us, for the first time in our history, of the possibility of Canada being compelled to rely solely on her own products which cannot be transported. This may result in conditions of the greatest possible hardship unless every effort is made to provide means of transport for the coal that is needed. The problem is to use coal from the ports of Nova Scotia near the points of production as a factor in helping to keep warm in winter the people of central Canada, and this problem is so allied with the question of shipping that the need for action on the line I have suggested becomes so great that it must not be disregarded.

Mr. SINCLAIR: Are the ships that are being ordered by the Munitions Board wholly of wood?

Mr. HAZEN: Many of them are steel ships.

Mr. SINCLAIR: Will the Board accept a ship built wholly of wood?

Mr. HAZEN: I understand that they will, if the ship is not less than 2,500 tons.

Mr. SINCLAIR: It is not necessary that the frame be steel?

Mr. HAZEN: I understand that it is not necessary.

Mr. SINCLAIR: What kind of wood is used?

Mr. HAZEN: British Columbia fir and pine, I understand.

[Mr. Macdonald.]

Mr. SINCLAIR: I am sure there are many people who would like to get that information.

Mr. HAZEN: I am sure the Munitions Board would be delighted to give it.

Mr. PUGSLEY: The Munitions Board do not encourage the building of ships in Eastern Canada in which British Columbia timber is to be used. Some one has told them that the timber cannot be transported. But if the Transcontinental Railway were given the order, I am sure they would be able to transport enough timber to build many ships.

Mr. HAZEN: I am not here to represent the Munitions Board, but I should like to know what authority the hon. gentleman has for his statement.

Mr. PUGSLEY: I have been told directly that the Board discourages giving contracts to persons who contemplate bringing their timber from British Columbia. I have a letter to that effect. I either have a letter or a gentleman who went to the Munitions Board with a view of getting a contract stated that that was represented to him; but I am inclined to think that I have a letter myself to the same effect.

Of course, the unjustifiable dismantling of the Transcontinental railway by the Minister of Railways and Canals may be a reason for lack of transportation facilities, but in northern British Columbia, in the Prince Rupert district, we know there are vast forest areas where long timber can be got in enormous quantities and which might be easily hauled over the Transcontinental railway for use in the shipyards of eastern Canada. Let me ask the minister if he will not see the Munitions Board and find out what the exact position of the matter is. If the minister will inquire of the Munitions Board he will find, I am sure, that that is the view which the Board take and that they discourage people from taking contracts to build wooden ships of 2,500 tons if they are relying on British Columbia timber. They speak of the difficulties of transportation. It was said here recently—I think yesterday—that the Transcontinental railway is not doing very much business in western Canada, and especially through the mountains. I do not know whether that is true or not, but if it is true, why should not that road be utilized to transport timber to the shipyards of eastern Canada where it may be used for the building of wooden ships?

Now, I will leave that question and I will take up what my hon. friend says in regard to the building of wooden vessels by the Canadian Government. Even at the risk of some foolish person, or some foolish newspaper, outside of the House saying that I am interfering with the carrying on of the war because I criticise the Government, I desire to say that the Government has not discharged its duty to the people of this country in not having long ago engaged in the building of wooden ships. It is not discharging its duty to-day in determining, as it was announced here that it had determined, that it will do nothing in that direction. My hon. friend speaks of vessels being built in the shipyards of Nova Scotia by private parties at their own expense. Why should the shipbuilders of eastern Canada be placed at a disadvantage by being obliged to finance the enterprise entirely themselves while tbe builders of steel ships in British Columbia are assisted by the Imperial Government or the Imperial Munitions Board? Is this Government afraid to do what the British Government is doing? Is this Government afraid to engage in the building of vessels when the British Government is doing so? When the United States entered into the war, the United States Government immediately appropriated $50,000,000 for the purpose of building wooden vessels. They did not require that they should be of 2,500 tons. They ordered that there should be a thousand wooden vessels constructed of a capacity of 1,000 tons each. That was the order which the United States gave to the proper officials—I think Mr. Goethels is the chairman of the United States ship construction board.

Mr. HAZEN: My hon. friend must have seen that they are not going to build them now.

Mr. PUGSLEY: I have not seen it. I suppose they are not going to build them because they have great opportunities for building steel vessels. My hon. friend from Pictou (Mr. Macdonald) has pictured the condition of the people in consequence of the high cost of transportation applying to fuel, foodstuffs, and everything which the people require, the cost of which is becoming so great that a condition of misery and almost of starvation has been created and there is danger almost of people freezing to death in some parts of this country. That might be prevented by the Government doing something with regard to the question of transportation . Why are they not doing it? My hon. friend says that they are going to do it after the war. After the war there will be no necessity for it.

Mr. HAZEN: I did not say so.

Mr. PUGSLEY: I thought the hon. gentleman said that after the war this would be a very important question to be considered. His colleague the Minister of Trade and Commerce (Sir George Foster), during the present session, said that he was utilizing his staff for the purpose of working out a scheme to engage in the building of ships after the war. It is not after the war that the people require such relief. It is now. It was two years ago, it was nearly three years ago that the Government ought to have taken the matter up. It is with regret that I do it, but I do make the charge that this Government has with respect to the building of wooden ships absolutely failed in the duty which it owes to the Canadian people. Our boys who are at the front have left their mothers and sisters in Canada. There are certain provisions made for them but if the cost of fuel and the cost of the necessaries of life goes up by leaps and bounds as it has been going up for months and months past it is going to render the condition of this class of the community, as well as of all the other people in Canada who are not possessed of very large means, very deplorable. Take the city of St. John in which my hon. friend lives when he is in his home town and to-day our people are paying $14 per ton for anthracite coal and the word I get from there is that the dealers refuse to enter into a contract because they do not know how they will be able to get their coal from the mines in Pennsylvania to St. John. Is that not a condition which ought to excite attention on the part of hon. gentlemen? Do they turn deaf ears to the appeals which are going out from the people in this particular?

Mr. BURNHAM: How is the Government going to deal with it? It is the same all through Ontario.

Mr. PUGSLEY: By building vessels and bringing rates down to a fair and reasonable charge. That is the way the Government is going to do it. I do not assume that if the Government do build vessels and engage in transportation they are going to keep the prices away up the same as the speculators keep them up. I do not imagine that if the Government were to take charge of the flour mills of Canada they would charge the same extravagant rates for the manufacture of flour as the private miller is doing. I would assume that if the Gov-

ernment built vessels they would give relief to the people in the way of transportation and keep the charges down to within reasonable limits. As far as coal and many other of the necessaries of life are concerned, it is the high cost of transportation that is increasing the prices to these exorbitant amounts, and which are imposing such burdens on the people to-day.

Mr. BURNHAM: Freight rates are under the control of a commission, are they not?

Mr. PUGSLEY: No, not on vessels.

Mr. BURNHAM: But they are on railways?

Mr. PUGSLEY: My hon. friend ought to know that transportation by water ought to be very much cheaper than transportation by rail, and yet to-day you cannot get transportation by water between the producing districts in the United States, where coal is mined, and mined in abundance, and the ports of the Maritime Provinces. Or, if the Government were to go into the building of vessels they would be able to place these vessels on the routes where they were most required and by charging fair and reasonable rates they would be able to keep down the cost of transportation and so give relief to the people who are, as I have said, in a very distressing condition to-day in many sections of the country, and whose condition will be deplorable in the near future if nothing is done by the Government for their relief. However, I have discharged my duty and it rests with the Government to say whether they will do anything or whether they will continue the do-nothing policy which they have pursued in this regard ever since the war began. My hon. friend says it would take money to build wooden vessels. But did not his colleague the Minister of Railways (Mr. Cochrane) only yesterday introduce a Bill which will authorize him to expend $10,000,000 of the money of the people of this country on the construction of highways, which are not needed in these times of war? What the Government ought to do is to take that $10,000,000 and build wooden vessels to assist in cheapening transportation at once and give relief to the people of this country in the direction in which relief is most needed. Let the construction of highways, which, after all, are largely for the use of the automobilists of this country, wait; these matters of necessity may well stand over until the settling of the war. Let the Government devote what money they have to what really can be accomplished for the purpose of relieving distress, and distress in many particulars can be best relieved by decreasing the cost of transportation in Canada.

Mr. A. A. McLEAN: When I saw in the newspapers that the Munitions Board were giving contracts in British Columbia for the construction of wooden ships, I went down to the Munitions Board and asked one of the officials if contracts would be given in eastern Canada, and he told me that so soon as the men who are conducting the business for the board in British Columbia and the West were through with their business in that part of Canada, they would proceed to the Maritime Provinces. I was informed that any person who would assure the board that he had a proper shipyard, properly equipped, and had competent men in charge of it, would be given contracts for 2,500-ton wooden ships.

Mr. MARCIL: Nothing less than 2,500 tons.

Mr. A. A. McLEAN: He said 2,500-ton wooden steamships. This information was given freely to me, and I do not think there is any secret about it.

Mr. MARCIL: Did the hon. member ask if any less than that tonnage would be constructed?

Mr. A. A. McLEAN: That is what I was told, that the ships were all of a standard tonnage of 2,500 tons. I do not think that, as the hon. member for St. John (Mr. Pugsley) has stated, the building of these ships is to be confined to British Columbia. I have applied to men in my own province and asked them to consider the matter and find out what quantities of wood were available there for the building of ships, and I am assured that, with the exception of certain portions of the ship, wood is available in the three Maritime Provinces.

4 p.m.

Mr. PUGSLEY: What I said was that to build these 2,500-ton ships in eastern Canada it would in most cases be necessary to bring timber from British Columbia, and while the Munitions Board would give contracts to build in eastern Canada, they would discourage the entering into contracts involving the bringing of timber from British Columbia. They put forward the difficulty of transportation. That is what I understood.

Mr. A. A. McLEAN: I do not see why the hon. member should wish the board to discourage the building of ships in eastern Canada.

Mr. PUGSLEY: The hon. member insists on misunderstanding me. They will discourage the building of wooden ships in eastern Canada if the builders wish to depend for their timber, or any portion of it, on British Columbia. That is what I said.

Mr. A. A. McLEAN: I do not think they will depend on British Columbia to get lumber.

Mr. PUGSLEY: For the large vessels they say they must.

Mr. A. A. McLEAN: There is a sufficient quantity of lumber in eastern Canada, Quebec, Nova Scotia, New Brunswick and Prince Edward Island to build the ships, and I have no doubt that these gentlemen on their return from the West will offer contracts.

Mr. PUGSLEY: A gentleman was here the other day from New Brunswick who has facilities for shipbuilding in a portion of New Brunswick, the north shore, which is perhaps the best timbered section in the province. He was prepared to engage at once in the building of four wooden ships of a tonnage not exceeding 500 tons each. He said if he had to build larger vessels than that, up to the specifications of the Munitions Board, he would be obliged to procure a portion of the timber from British Columbia.

Mr. SINCLAIR: Why not from the Southern States?

Mr. PUGSLEY: That might be done, of course.

Mr. A. A. McLEAN: I have given the information which I received, and that information is that contracts will be offered after these gentlemen return from British Columbia. The Imperial Government will supply and pay for all materials for the construction of these ships, and give a fair profit, but the profit for eastern Canada has not yet been settled.

Mr. SINCLAIR: Is there a uniform price?

Mr. A. A. McLEAN: I do not know. I did not inquire, but I suppose it will depend upon the local markets what they will pay for lumber in different sections.

Mr. SINCLAIR: Is there a standard model or pattern of ship?

Mr. A. A. McLEAN: The hon. member can get that information at the Munitions Board; I did not go into it very particularly. I just wanted to know whether the information which was given in this House and the statements made in this House that the Munitions Board would not construct in the East were true or not, and I found out that they were not true, that the Board intended to offer contracts in the East.

Mr. PUGSLEY: Did they intimate when that would take place?

Mr. A. A. McLEAN: So soon as the gentlemen conducting this business returned from the West.

Mr. PUGSLEY: Who was the official whom the hon. gentleman saw?

Mr. A. A. McLEAN: If my hon. friend will consult Mr. Fitzgerald he will get the information which I received.

Mr. KYTE: I desire to point out the situation in Nova Scotia with respect to the securing of a supply of anthracite coal for which provision will have to be made in the course of a few months. It appears to be almost impossible to get tonnage to convey this coal from Boston or New York to ports in Nova Scotia. Some ten days ago, I think rates as high as $8 a ton were being offered in Boston for the carriage of anthracite coal from that port to ports in Nova Scotia and Prince Edward Island. One can readily see that the imposition of such a charge as that for transportation would render it almost impossible for the ordinary consumer of anthracite to lay in a supply for the approaching winter season. The same condition obtains with regard to the carriage of soft coal. I know that in the island of Cape Breton large collieries are obliged to bank great quantities of coal that should be in course of transportation to the different places where local consumption of coal is necessary and where the supply of coal is very much shorter than it would ordinarily be at this season of the year. I do not know what immediate steps the Government can take to relieve this situation. I believe the conditions existing in the island of Cape Breton as regards the shipment of coal from those mines to other parts of the Maritime Provinces is due to the fact that the Government has commandeered a large number of steamers and has taken many vessels out of the carrying trade.

I regret very much that the Minister of Marine and Fisheries does not seem to be able to find a solution of the difficulty. Not only are the consumers of coal hampered

by reason of the enormous freights being charged, but the producers as well are hampered by reason of their inability to get shipment for their coal to different points in the Maritime Provinces. There are ample facilities in the province of Nova Scotia for the construction of smaller ships than those to which reference has been made by the minister, and a large number of wooden ships would now be in course of construction in that province if some kind of encouragement had been given. The member for St. John has referred to the enormous expenditure proposed by the Minister of Railways and Canals under the Bill introduced yesterday. I agree with the hon. member for St. John that the expenditure of $10,000,000 for the improvement of highways at this time is absolutely unjustifiable and indefensible, having regard to the crying need for more vessels to carry coal and other necessaries of life from the different ports of the Maritime Provinces. Certainly the Government cannot refuse to take action upon the plea that money is not available.

Mr. BURNHAM: Why was coal not carried to the lake regions by means of vessels before the war?

Mr. KYTE: I know of no other way of carrying it up to the lakes—although a few years ago the member for West Peterborough was advocating the use of flying machines for transportation purposes.

Mr. BURNHAM: We are stuck for coal in Ontario, but they do not think of bringing it to this part of the country by means of vessels. It is said that coal cannot be cheaply carried that way, partly owing to inability to control the mines and operators. The result has been the high price of coal in Ontario—and it seems likely to continue. When it was suggested that the railways were overcharging, it was found that that was not the case.

Mr. PUGSLEY: My information is that the people of Ontario pay less for bringing coal all the way from the Pennsylvania mines by rail than the people of the Maritime Provinces are obliged to pay for bringing it by water. Transportation by water ought not to be one-quarter as expensive as transportation by rail.

Mr. BURNHAM: Then why have vessels not been used in the past for this purpose?

Mr. PUGSLEY: Because there have been so few vessels.

[Mr. Kyte.]

Mr. KYTE: Before the war there was no scarcity of vessels for the transportation of coal, but since the commencement of war the Government have commandeered a number of vessels that were previously engaged in that work. Coal has not, I think, been at any time carried from Nova Scotia to the Great Lakes by vessels, because the vessels were unable to pass through the canals. So far as our tonnage in the Maritime Provinces is concerned, therefore, conditions affecting the transport of coal to the lakes are not different now from what they were a few years ago. It is in the highest degree desirable that some active steps should at once be taken to relieve the present condition of affairs. This is the season of the year when hard coal is being purchased and held in stock for next winter, but the people of the Maritime Provinces are unable to lay in their supply of coal at this season, and thus take advantage of the reduced price, because of the prohibitive rates charged as a result of the scarcity of tonnage.

Mr. PUGSLEY: I wish to read a letter which I received from the Director of Steel Shipbuilding in answer to a communication which I wrote to the Munitions Board asking for information as to the standard of vessels. I did that because some gentlemen in New Brunswick were desirous of engaging in shipbuilding. This letter, which is not of a private nature, puts the Board's position very clearly. It is as follows:

May 16, 1917.

Wm. Pugsley, Esq., M.P.,
House of Commons,
City.

Dear Sir,—

In reply to your letter of May 15th.

The Board has been authorized by the British Ministry of Shipping to arrange for the construction of a certain number of wooden ships in Canada according to a standard type. The design and specifications can be seen at any time at the Board's office.

The vessels are of approximately 2,500 tons deadweight, being 250 feet long, 40 feet in beam and 21 feet draft.

The terms on which the Board is placing these contracts are the reimbursement of the contractor for the actual cost of building, including labour, material and overhead, plus a fixed sum by way of profit for each vessel constructed. Under these circumstances, and because definite results must be secured, the Board will examine closely into the capacity, resources and experience of each firm seeking a contract.

With regard to the plant, etc., employed in the construction, individual arrangements will be made in each case on the basis of allowing a reasonable amortization as part of the cost of construction, or in the case of an existing plant allowing a reasonable rental for the use of the plant as part of the cost.

With regard to any construction undertaken in Eastern Canada, the essential point will be for the contractor to satisfy the Board that he has or can obtain on reasonable terms a sufficient quantity of suitable lumber to build the type of ship required. It is not safe to reckon on obtaining lumber from British Columbia; firstly, because we expect that most of the lumber suitable for the purpose, which is cut there, will be taken up in wooden ship construction on the Pacific coast, and secondly because it is doubtful whether any large quantity of lumber could be brought across the continent in the present railway situation even if it were available.

You are quite at liberty to communicate the above information to your friends, and the Board will be very glad to give more detailed information to any one interested.

Yours truly,

William I. Gear,
Director of Steel Shipbuilding.

I was struck by the statement in the latter part of the letter that it is doubtful whether any large quantity of lumber could be brought across the continent, having regard to the present railway situation, even if the lumber were available. A gentleman who was desirous of forming a company to engage in shipbuilding told me that he had been informed by the Board that they would not give him a contract if he had to rely on British Columbia lumber. It ought to be possible for the Government to have lumber from northern British Columbia and the vicinity of Prince Rupert, where, I am told, there is an abundant supply, brought over the Transcontinental railway and used in the shipyards of eastern Canada.

Just a day or two ago I had a letter from a gentleman at Diligent river, Nova Scotia. He stated that he had a shipyard where wooden vessels could be built in large numbers, and that he would be very glad to place it, I think he said, free of charge, at the disposal of this Government for the purpose of building ships. My hon. friend knows that in the harbour of St. John, in the vicinity of St. John, along the Kennebecasis river, along the St. John river, at St. Martin's, at St. Andrew's and at St. George, at other places on the Bay of Fundy coast, at Richibucto, on the Miramichi river, at Bathurst, at Campellton, along the Baie des Chaleurs coast, along the St. Lawrence, there are thousands of opportunities for building wooden vessels, and at these places wooden shipbuilding was carried on in the past on a large scale. I wish to repeat what I said, that I think the Government ought to let contracts for the building of small wooden vessels of say 500 tons capacity, and to take measures, where it is necessary to bring timber from British Columbia, to have it brought east in enormous quantities for the purpose of assisting in the construction of wooden vessels. There are large quantities of timber in eastern Canada, but I think, to build larger vessels with southern pine or British Columbia timber would in most cases be required, and there is the same difficulty of getting southern pine to the Maritime Provinces as there is in getting coal carried, because it would have to be brought by water, but British Columbia timber, wherever it is required to be mixed with eastern timber, could be brought by the Government over the Transcontinental. Let the Government act and they will receive the enthusiastic approval of the members of this House and of the people of this country. Let them start in, as the United States Government has done, as the British Government has done, to build ships to assist in transportation, and they will be conferring an enormous benefit upon the people, and I am sure that if they will, even at this late hour, engage in this most important work, they will receive the approval of the people of Canada.

Mr. MARCIL: I would not like this item to pass without saying a word on behalf of the mother province of the Dominion. There was a time when the province of Quebec shared in the glories of Nova Scotia and New Brunswick in the building of wooden ships which covered the seven seas, and when Canada ranked as the fifth greatest shipbuilding nation in the world. I read to-day in the Montreal Gazette that the tonnage passing through the Lachine canal has decreased considerably since last year, and almost daily our inland tonnage is falling off. All the arguments that have been advanced on behalf of Nova Scotia and New Brunswick apply with ten times as much force to the St. Lawrence, because the St. Lawrence is the main artery of this country, and on the St. Lawrence, in the old province of Quebec, we have the largest city of Canada, which consumes more coal than any other Canadian city, and where last winter we had a coal shortage which was a very serious problem, and which problem is going to be ten times worse during next winter unless the Government wake up and do something. One of the clever moves which paved the way for a change in the administration of this country was when the present Minister of Trade and Commerce brought forward the idea of the creation of a Canadian navy, and ultimately the encouragement of shipbuilding in Canada. That was the starting point

which led the then Opposition on to the road which ultimately brought them into office. It was the policy of the Opposition of that day to encourage shipbuilding. Last year the Minister of Trade and Commerce himself, if my memory does not fail me, advocated strongly the construction of ships in this country, and it stands to reason that Canada will never take the position which she should hold amongst the nations of the world unless she goes extensively into the building of ships. We have built hundreds and thousands of miles of railway throughout Canada; we have opened up every part of the country; we have given access to all our various industries, our mines, our fisheries, our lumber, but our domain ends when we reach the water's edge. We have not yet got properly on to the water; we are trusting to England and to foreign countries to carry our goods across the ocean. The number of ships on the Canadian register is practically nil and is growing smaller and smaller every day. Our inland tonnage is doing practically nothing. We hear some complaints—

Mr. W. H. BENNETT: Is the hon. member aware that last year a boat was launched at Collingwood capable of carrying a million bushels of grain?

Mr. MARCIL: I will give Collingwood credit for launching one boat last year.

Mr. BENNETT: There are a large number on the stocks.

Mr. MARCIL: I am speaking more particularly of the St. Lawrence, which is the outlet of Collingwood and of the lakes generally, and I am sorry to state that outside of some steel work at Vickers-Maxim and in the Government shops at Sorel, there is practically none of that work being done along the St. Lawrence, although it is one of the finest water highways in the world. The position we occupy in the city of Montreal at the present time is very serious, and if the railways were unable to handle the coal during last winter, they will probably be in the same position this coming winter. I take it for granted that this Government wishes to give Canada the proper equipment, and if we have our railways, we should also have a shipbuilding industry. Why should we not revive the building of ships on the St. Lawrence as it was in the old days? Before the days of iron or steel vessels, the glory of Quebec and of the lower St. Lawrence was the shipyards of Quebec, which sent out some of the finest ships afloat. I think this Government should take this question earnestly to heart, because it is one of the most important questions which we have to solve. At the present time, there is a shortage of tonnage in every part of the world, and that shortage will become more acute the longer the war lasts, and therefore the Government should see to it that the building of these large ships which are required by the British Government should not be the only shipbuilding work that is going on in Canada. If we cannot build ships of 2,500 tons, we should build smaller ships, ships that will be able to carry on the inland business of the country, to transport coal from Nova Scotia, to transport the magnificent products of Prince Edward Island to the great market at Montreal, and to handle the ordinary business of the country. This work might also be extended into the Great Lakes, but I am sure if encouragement were given by letting some contracts now, you could start building smaller ships all along the St. Lawrence, to the great advantage, not only to that part of the country but of the whole Dominion. The people require some assistance; they are passing through a great ordeal at the present time owing to the high cost of living. Those who are familiar with the cost of living in the cities know the difficulty of obtaining products of one kind or another; for instance, the difficulty of obtaining coal. In March and April last, especially in March, you could not get a ton of coal delivered in any part of the city of Montreal; you had to buy it by the half ton, and the poor people bought it by the bag, the price running up to $15 and $18 a ton. This state of things should not be permitted to continue in Canada, which has all the riches of Providence conferred upon it. We have coal, wood and fish in abundance; we have a magnificent soil, and we have a healthy population which should work together if the ordinary facilities were granted, and if ever we are going to take advantage of our natural resources. The St. Lawrence is a magnificent highway, easily navigable. The minister announced only yesterday, with great and legitimate satisfaction, that there had not been a single wreck on the St. Lawrence last year. It is well buoyed; it is magnificently lighted; it is in good condition; the dredging is being constantly done, and navigation can be carried on by night as well as by day. There is no need as in the old days for steamers to drop their anchors in the lower regions of the St. Lawrence at

night; the largest steamer can reach the dock at Montreal at midnight with much greater facility than she formerly could in the noon-day sun. Why should we not take hold of this great question?

Why should we at this moment of national crisis be passing our time discussing petty politics? Why not handle one of these great questions in which the people of Canada are vitally interested, and in regard to which they are looking for guidance from the Government. The building of ships is an indispensable industry; it must come in this country. Why should we not make a start now, and not wait until next year or the year after or five years from now? A country like Canada cannot progress unless it takes advantage of its magnificent waterways and goes in for the building of ships. We have plenty of lumber, plenty of coal, and plenty of experienced mechanics—not only in the Maritime Provinces but all along the St. Lawrence river and the Great Lakes of Ontario. I think the minister, who hails from the old city of St. John and takes a sniff of salt air now and then, should be a mariner through and through; he should take hold of this question and impress upon his followers from other parts of Canada that the time has come for this country to embark upon a vigorous shipbuilding policy. If we cannot get the larger ships started this year, let us make a beginning with the smaller ships, and turn them out from the shipyards along our lakes and rivers.

Mr. SINCLAIR: We were informed the other evening by the Minister of Finance that by an Order in Council recently passed a shipbuilder gets a rebate of all the duty he has paid on materials entering into the construction of a ship. It is similar to the law in regard to agricultural implements, boilers and other manufactured goods. If you import boiler plates from the United States, and construct a boiler in Canada and then export it to some other country, you get a rebate of 99 per cent of the customs duties paid on the materials used in the construction of the boiler. If it is true that this rebate is now granted in regard to the shipbuilding industry, it is a step in the right direction. Prior to this Order in Council, a certain number of articles entering into the construction of ships were on the free list, such as plates and other articles that could not be made in Canada. I was led to believe in the discussion the other evening that the duty would be rebated on all articles entering into the construction of a ship, and I should like to know if that covers material that is manufactured in Canada. For instance, if I am building a steel vessel in Nova Scotia I naturally go to Dartmouth for rivets. The manufacturer in Dartmouth takes advantage of the tariff, and charges 27 per cent or whatever the protection is on rivets. Under the Order in Council, would I get that duty rebated, just as if the rivets had been imported from the United States or some other country?

Mr. HAZEN: I was not aware that we would have a discussion of this sort when my Estimates came up to-day, or I would have had more information on this subject. I think that my hon. friend from Bonaventure, who always speaks eloquently and in a way that is pleasant to hear, is better informed on other matters than on the subject he discussed here this afternoon. He spoke as though little or nothing were being done in the building of large ships in the province of Quebec. He said that some small construction work was being done at the Vickers works in Montreal. It may surprise my hon. friend to learn that there are under construction at the Vickers works in Montreal six cargo steamers of 7,000 tons each. Other vessels are also being constructed at that yard, one of 2,360 tons, and others of less tonnage. The shipyard employs over 2,000 men and keeps them as busy as possible. At the Davie Shipbuilding Yards, Levis, there is a vessel of 5,000 tons being constructed. At Sorel, in certain private shipyards, there is a great amount of activity in shipbuilding. Almost within sight of the city of Quebec, on the Island of Orleans, a company with which Mr. Playfair, who is known to hon. members in connection with shipping on the Great Lakes, is connected, is building four wooden ships of from 1,500 to 2,000 tons, and I am informed that a large portion of the lumber entering into the construction of these ships is being brought from British Columbia. Further, I may say that a gentleman was here to-day who is largely engaged in shipbuilding, and he states that he has made arrangements for bringing a large quantity of British Columbia lumber down to points on the St. Lawrence, where he is going to construct some 8 or 10 wooden ships, as large, I presume, as those that are being built on the Island of Orleans, from 1,500 to 2,000 tons each. Two of the ships that are being constructed at the Island of Orleans are well on the way to

completion, and work has been commenced on two others. I think that is an answer to the statement of my hon. friend from St. John that there is great difficulty in getting lumber from British Columbia. Not only is some of the lumber that is going into the construction of these ships being brought from British Columbia, but I am informed that Mr. Norcross has made large purchases of lumber in that province, and is going to build ships of British Columbia lumber and lumber obtained elsewhere.

There are a large number of ships being built at the present time in Canadian shipyards, aggregating a very considerable amount of tonnage. Six are being constructed in the Vickers yard of 7,000 tons each, and I think they are all under way. The Davie Shipbuilding and Repairing Company, Levis, are building one steel vessel of 5,000 tons. The Nova Scotia Steel and Coal Co., of New Glasgow, N.S., have under construction three cargo steamers of a total tonnage of 6,800. The Shelburne Shipbuilders Company are building a wooden cargo steamer of 320 tons. Robert Rutledge, of Sheet Harbour, N.S., is building a wooden cargo steamer of 325 tons. The Quebec Shipbuilding and Repairing Co., Isle of Orleans, are building two auxiliary schooners of 2,490 tons, and a tug boat is being built at Sorel of 410 tons. In addition, there is a large amount of other construction which I do not care to speak about here, going on at the Sorel shipyards, at the Davie Works, Quebec; at Polsons, Toronto; at Canadian Vickers, Montreal, and at other shipyards throughout the country. On the Great Lakes the Port Arthur Shipbuilding and Repairing Co., Limited, are building four cargo steamers aggregating 9,748 tons. The Collingwood Shipbuilding Company are building one steel cargo steamer of 7,988 tons, and two steel oil tankers of 4,800 tons.

The Polson Iron Works, Limited, Toronto, are building two cargo steamers of 4,400 tons each and six cargo steamers of 3,500 tons each, in all eight steamers, in addition to other marine construction work which is going on there. The Thor Iron Works Limited, have two steel cargo steamers on the stocks of 5,000 tons each. The Georgian Bay Shipbuilding and Repairing Company, Midland, Ontario, as pointed out by my hon. friend from Simcoe (Mr. W. H. Bennett) recently launched a large steamer there, and other construction is in progress. On the Pacific coast a great deal of shipbuilding is carried on. The Coughlin Company has a contract for five large steel steamers of 8,800 tons each, and in the Wallace yards two steel vessels of 4,600 tons each are in course of construction. Hon. members will see from these figures that there is a great deal of activity in steel shipbuilding in Canada.

Now, with regard to wooden ships, I have here a list of wooden vessels being built at points on the Atlantic coast aside from those that are building under contracts placed by the Munitions Board. This list is complete so far as I know at present. In that connection it may not be uninteresting to call attention to the fact that the British authorities have issued an order excluding sailing vessels from the war area. This step has been taken because of the risk to which these vessels are exposed from submarines, through their inability to escape. In reaching this decision the authorities are moved I assume, by the consideration, not only of loss of vessels, but of the loss of cargoes as well. They have made a request of us to adopt the same policy and to exclude Canadian sailing vessels from the war area.

Mr. PUGSLEY: Does that order apply to sailing vessels with auxiliary power?

Mr. HAZEN: I suppose that the possession of auxiliary power by a vessel would make the danger much less, and I should think that would make a difference. The following is the list of wooden sailing vessels now under construction:

WOODEN SAILING VESSELS UNDER CONSTRUCTION MARCH, 1917, ATLANTIC COAST.

		Gross Tonnage.
J. W. Comeau, Comeauville, N.S.	1 schooner	329
Dr. McDonald, Meteghan, N.S.	1 schooner	544
John Deveau, Meteghan, N.S.	1 schooner	400
Innocent Comeau, Little Brook, N.S.	1 schooner	250
Omer Blinn, Grosses Coques, N.S.	1 schooner	350
Theriault Bros., Belliveau Cove, N.S.	1 schooner	350
J. N. Rafuse, Bridgewater, N.S.	3 schooners	755
Leary & Sons, Bridgewater, N.S.	2 schooners	265
Robar Brothers, Bridgewater, N.S.	1 schooner	130
William Naugler, Bridgewater, N.S.	1 schooner	300
W. R. & C. A. Huntley, Parrsboro, N.S.	1 schooner	490
Wagstaff & Hatfield, Port Greville, N.S.	1 schooner	400
G. M. Cochrane, Fox River, N.S.	3 schooners	1349
James E. Pettis, Spencer's Island, N.S.	1 schooner	425

			Gross Tonnage.
T. K. Bentley, Advocate Harbour, N.S.	1	schooner	449
Esther Harkinson Shipping Co., Belliveau Cove, N.S.	1	schooner	360
Peter McIntyre, Saint John, N.B.	1	schooner	450
Southern Salvage Co., Liverpool, N.S.	2	schooners	530
J. Steadman Gardner, Liverpool, N.S.	1	schooner	340
W. K. McKean Co., Liverpool, N.S.	1	schooner	400
Albert Parsons, Walton, N.S.	1	schooner	400
Geo. A. Cox, Shelburne, N.S.	1	schooner	200
W. C. McKay & Son, Shelburne, N.S.	4	schooners	620
Estate Joseph McGill, Shelburne, N.S.	1	schooner	160
J. Ernst & Son, Mahone Bay, N.S.	2	schooners	520
John McLean & Sons, Mahone Bay, N.S.	1	schooner	95
Smith & Rhuand, Lunenburg, N.S.	3	schooners	332
Lewis Hardwood Co., Lewiston, N.S.	2	schooners	1000
John Brown, Public Landing, N.S.	1	tow barge	50
E. F. Williams, Dartmouth, N.S.	1	schooner	350
Quebec Shipbuilding and Repairing Co., St. Laurent, Que.	2	schooners	2600
Charles Griffin, Isaacs Harbour, N.S.	1	schooner	40
J. A. Balcom Co., Ltd., Margaretsville, N.S.	1	schooner	400
James X. Lenteigne, Lower Caraquet, N.B.	1	schooner	28
Meteghan Railway and Shipbuilding Co., Meteghan, N.S.	1	schooner	470
Shelburne Shipbuilders, Ltd., Shelburne, N.S.	1	schooner	350
Robert Rutledge, Sheet Harbour, N.S.	1	schooner	300
J. W. Raymond, Port Maitland, N.S.	1	schooner	375
Robin, Jones & Whitman, Liverpool, N.S.	1	schooner	340

None of these vessels are large, but the list shows that there is a very considerable activity in shipbuilding. But the people of the Maritime Provinces, so far as I can learn, have not shown much anxiety to engage in the building of larger vessels.

Mr. PUGSLEY: Give them the contracts, and you will see how quickly they will build the vessels.

Mr. HAZEN: I was just going on to tell my hon. friend that six or eight months ago a gentleman who was interested in shipbuilding in Montreal came to me and told me he was going to proceed with the construction of ten schooners from 2,500 to 3,000 tons each, and that he would as soon build them in the Maritime Provinces as anywhere if there were people there to take the contracts. I communicated with the St. John Board of Trade and others in St. John, and told them of that proposition. After enquiry my correspondents wrote back to me that they could not find anybody who was willing to enter into a contract for the construction of such vessels at the present time.

Mr. PUGSLEY: It would depend on the price.

Mr. HAZEN: The question of price was not raised; the price would have been satisfactory. These people said that shipbuilding in the province of New Brunswick had become almost a lost art. It flourished years ago, as the hon. member for Bonaventure (Mr. Marcil) said. In those days there used to be ship carpenters, sail makers, caulkers, and other ship's tradesmen, but these have pretty well disappeared. At any rate, the parties with whom I communicated could not find any one willing to enter into a contract for the construction of these ships. I say this to show that at present there are difficulties in the way of constructing vessels of large size. This applies especially to New Brunswick. In Nova Scotia shipbuilding has been better maintained, schooners and other vessels have always been built in that province, and that accounts, probably, for the greater shipbuilding activity in Nova Scotia to-day. As I understand it, if there are builders who will build what the British Government requires—and they must be the judge of their own requirements—they will have no difficulty in getting contracts from the Imperial Munitions Board.

My hon. friend from Pictou (Mr. Macdonald) has drawn the attention of the committee to a very serious question in regard to the coal supply of Nova Scotia. It undoubtedly is a very important and serious question. I have had several consultations and interviews with people representing the Dominion Coal Company during the last few days. The Dominion Coal Company has been placed in a rather awkward position. The vessels which the company were using to transport their coal at the time of the outbreak of the war were, with one single exception, British registered vessels and were subject to requisition by the British Government. They had only one vessel which was a Canadian registered vessel. That vessel was also requisitioned by the British Government but I am taking steps to have it released. It will help to some extent to relieve the situation. They find it impossible—it is not a matter of price with them—to charter vessels for the pur-

pose of carrying their coal not only to St. John and Halifax but to ports on the St. Lawrence as well. We have discussed the whole matter and we have taken steps which we think will go a long way towards relieving the situation in those two places.

Mr. PUGSLEY: By reason of restoring one ship?

Mr. HAZEN: Not by reason of restoring one ship. I have mentioned one step that we have taken but there are other steps that I cannot explain to the House at the present time. But that one ship will to a considerable extent relieve the situation and it will be an important factor in doing it. In addition to that, the Dominion Coal Company have had large contracts for supplying coal to ports in the United States and they have come to the conclusion that they will have to cancel these contracts and announce to the people in Boston and other places that they will have to look elsewhere for their coal, that their efforts will have to be directed to providing coal for places in Canada under existing circumstances.

These are the principal subjects that were touched on in connection with the discussion here to-day. There is no doubt that there is a greater development of shipbuilding in Canada than the country has known for many years. I believe as a result of what is going on to-day the shipbuilding yards in Canada will be placed in a considerably better position than they have been at any time during the past twenty-five or thirty years. I further believe that when the war is over they will be able to compete on more even terms with the shipbuilders of the United Kingdom. But up to the present time, as I pointed out in this House before, the Canadian shipbuilders have had no protection. British registered ships built in the Old Country have come into our ports to compete with the ships that were built in this country without paying any duty, even upon their equipment and the things that were necessary to enable them to sail their ships. But, there has been an enormous advance in wages in the United Kingdom. My belief is that wages in the United Kingdom, after the war is over, will never get down to the point at which they were before the war and which gave the shipbuilder of the United Kingdom an undue advantage in competition with the shipbuilders in this and other countries.

Mr. SINCLAIR: Will they come down in Canada?

[Mr. Hazen.]

Mr. HAZEN: I do not know that they will. Wages in the United Kingdom are quite as high as they are in Canada and I do not believe they will come down for some years because there will be great activity after the war is over in building ships. The troops will have to be brought back, the munitions and equipment will have to be brought from the front and in consequence of submarine attacks there will be fewer ships than there were at the outbreak of the war. To carry on the business of the world there will be a great demand for ships, in consequence of that the shipyards of Great Britain and Canada will have a great deal of work to do and they will require to build a good many ships for carrying on the business for some years to come. I expect the Canadian shipyards, with the impetus they are getting now, will be able to compete with the shipbuilders of the United Kingdom. You find shipyards with contracts for six and eight large ships and as a result their yards will be better equipped and in a very much better position to compete than they were before.

Mr. PUGSLEY: Are these ships being built for the British Government?

Mr. HAZEN: Some are and some are being built for others.

Mr. PUGSLEY: For British or foreign governments?

Mr. HAZEN: Some contracts were placed for neutral governments and let me say here that these contracts that were placed for neutral governments were placed in every case with the full approval and consent of the British Government. That consent and approval was obtained before the contracts were entered into. In most cases these vessels have in the course of construction been commandeered for the use of the British Government and instead of flying the flag of neutral countries they will fly the British flag and be used for the purposes of Great Britain in connection with the war and the carrying on of her trade. If the hon. gentleman had suggested that he was going to take this subject up to-day —I am not complaining that he did not— but if he had—

Mr. PUGSLEY: This is a subject that comes up unexpectedly.

Mr. HAZEN: Yes, but if it had been suggested—

Mr. PUGSLEY: I got word yesterday that it was hard to get coal in St. John.

Mr. HAZEN: If my hon. friend had suggested that he was going to bring it up to-day, I would have had an opportunity of giving fuller information to the House than I have been able to give in the remarks that I have just made. The situation in regard to tonnage is very serious everywhere. It is serious in Great Britain, in the United States and in Canada and one of the reasons for the great shortage in Great Britain is that Great Britain has practically supplied the tonnage for all the Allied nations. In connection with the operations at Saloniki, I understand there are 300 British ships employed. Take 300 ships out of the ordinary commercial business of the world in one zone, or theatre, and the result is a very considerable shortage. So serious is the situation in Great Britain that they had to put an embargo on the importation into that country of articles that are not of primary necessity for the people. They have practically put an embargo on the importation of lumber into the United Kingdom. They hope by that means to save 500,000 tons a month and make that much more room in ships available for other purposes. They are endeavouring to get along by cutting the lumber in France and Great Britain. They have put an embargo on apples from all parts of the world and on many other articles which, in ordinary times are considered necessaries, but which during the war have to be restricted or done without. These conditions are existing all over the world. They will have to be met in the best way they can be met and they are being met in the best way they can be met.

Mr. PUGSLEY: In what way is the Canadian Government seeking to meet them?

Mr. HAZEN: The Canadian Government have met these conditions very largely and it is largely due to the action of the Canadian Government that these contracts have been placed in Canada and to the representations we made to the Imperial authorities as to the facilities we had in Canada for the building of ships. Not one of these ships ordered by the British Government would have been contracted for in Canada had not Canada agreed to finance the operation and to get a credit for Great Britain in Canada in order that the work might be paid for as it was proceeded with. When the hon. gentleman says that the Government of Canada has done nothing, I think he himself will see on reflection that that statement is not justified by what has occurred.

Mr. PUGSLEY: My hon. friend says that Great Britain would not have given any orders in Canada if it had not been for the action of Canada in giving the British Government credit. I do not want to detract at all from what this Government has done, if I think it has done anything for encouraging transportation on Imperial account; but it seems to me that my hon. friend is claiming credit for something for which not very much credit is due. Did not the British Government give an order for one thousand ships to the United States before these contracts were given in Canada? Is not the British Government having ships built in the United States to-day? Did it not give an order for both war and commercial vessels? Take the order for five hundred submarines given in the United States.

Mr. BURNHAM: Is not the American loan an offset to that?

Mr. PUGSLEY: The American loan has only been made recently. The British Government gave its order for this large amount of tonnage long before the United States made to Great Britain an offer of a portion of its loan. But surely if the British Government has ordered ships built in Canada it is because the British Government want those ships, it is for the benefit of the Empire. The British Government is having ships built here because it requires them. What I complain of is that this Government is doing nothing. My hon. friend says that the British Government would not have given orders in Canada if it had not been that this Government gave a credit. Let him put it on that low ground if he wishes, although I do not believe one word of it. But when the British Government is giving orders to the extent of millions of dollars to the United States, would it not have given orders for the building of ships in Canada unless Canada had agreed to lend some money to it? That is putting it upon a pretty low ground indeed, to say that that is the reason which induced the British Government to give orders for the building of ships in Canada.

There is one great advantage which the House and the country will receive from the statement of my hon. friend to-day, and that is that we will get at the facts, because my hon. friend has read a list of ships under construction in Canada. We have had it stated over and over again by members of the Government, by the Minister of

5 p.m.

Trade and Commerce (Sir George Foster), by the Minister of Finance (Sir Thomas White) that every shipyard in Canada, every place capable of building ships, was filled with orders, and that there was no opportunity to build any more ships than were being constructed to-day.

Mr. HAZEN. That is true of every shipyard that builds steel ships.

Mr. PUGSLEY: Does not my hon. friend know that for the building of wooden vessels of 500 tons to 1,000 tons it does not take very long to put a shipyard, one that was formerly used, in good repair? You want a good location, and you can soon get the yard ready. If the Government would give an order for 500 wooden vessels of 500 tons each to be built in Canada, it would soon get offers by the score, offers by the hundred, offers by the thousand, to build those ships in eastern Canada, in Quebec, New Brunswick, Nova Scotia and Prince Edward Island. But my hon. friend's statement is valuable in another respect; it corrects the statement which he made upon another recent occasion in the House that forty-eight vessels were being built in the Maritime Provinces, and that the size of the vessels ranged from 1,500 tons down to 150 tons. My hon. friend has read a list to-day and has not mentioned, if I remember aright, a single vessel of a tonnage greater than 600 tons, and in order to make up his full list of forty-eight vessels, he puts in a little boat of a capacity of 38 tons, and many of them of 150 tons, little motor boats I suppose they would be. All of this shows the effort which has been made on the other side of the House to mislead the people of this country, to make them believe that there is a vast deal of shipbuilding going on in Canada. Why, with all that is being done to-day, when ships are demanded not only for the Atlantic and Pacific business, but for the coasting business of Canada, when there is a demand unparalled, such as never existed in this country before, all the vessels named by my hon. friend would not be one-tenth part of the tonnage that was being turned out in the old days of peace when wooden shipbuilding in Canada was at its height. They turned out more ships in the little province of Prince Edward Island, more wooden vessels in number, than all those mentioned by my hon. friend.

Mr. HAZEN: Giving my hon. friend the advantage of the small one, there are fifty-three ships, averaging 353 tons each.

[Mr. Pugsley.]

Mr. PUGSLEY: This is what I said, that this Government is doing nothing to encourage Canadian transportation by water. Has not my hon. friend proved it himself? Every one of those steel ships which is being built, he says, has either been contracted for to be sold to the British Government or to other governments—not one for the Canadian Government. The Government of every other country in the world deems it necessary to build ships to assist in the transportation in which it is immediately concerned. The British Government is buying ships in order to bring food to their own people, food to the armies, food to the Allies. Neutral countries are buying vessels to be built in Canada, but the Canadian Government gives no contract for a single vessel, buys not one single vessel, for the purpose of reducing the cost of transportation for the benefit of the Canadian people. That is why I say that the Canadian Government is doing nothing for the people of Canada. My hon. friend thinks that, because the ships are being built in Canada, that is a great thing for the Canadian people. All it does is to give employment, that is all; in these days, when men are scarce, it gives more employment. It does not reduce the cost of living, it does not reduce the cost of transportation, it does not give people cheaper coal, or cheaper flour, or cheaper foodstuffs of all kinds, which they would obtain if you cheapened the transportation of the country. Does not my hon. friend the minister see that the Governments of almost every other country in the world are either building ships or buying ships to be used for the benefit of their own people, while the Canadian Government stands all alone in absolutely refusing to do anything in this direction, absolutely alone? That is the record which Canada has to-day. My hon. friend has spoken of what is being done in the way of shipbuilding at the Vickers-Maxim plant. I am extremely glad that these ships are being built at the Vickers-Maxim works. The fact that that firm are able to-day to do so much is a tribute to the foresight of the late Liberal Government, which gave the contract which led to the building of the dock and the shipbuilding plant near Montreal by the Vickers-Maxim Company, and if it had not been for what we did, giving a contract which I had the honour of signing when I was Minister of Public Works, what would have been the position so far as that portion of Canada is concerned? Not one ship would be in the course of construction in the vicinity of the city of Montreal—not

one. Then take the Collingwood plant. That was established under contract with the late Liberal Government. So was the Polson Iron Works of Toronto, and the Port Arthur Dry Dock and Shipbuilding Company, where my hon. friend says they are turning out four ships, that yard was established by the Liberal Government, and I had the honour of turning the first sod in connection with the building of the dry dock and the establishment of the ship repairing plant. Therefore, if it were not for what the Liberal Government had done my hon. friend would not have very much to boast of to-day. And this is what we complain of. We do it as respectfully as we can, we do it with the best feeling it is possible to show.

In the matter of shipbuilding the record of the Government is an absolute blank. My hon. friend talks about the difficulty of getting money, but the Government has millions to spend in the purchase of a derelict railway, the Quebec and Saguenay, and, apparently, millions to spend on the construction of highways. Not a dollar, however, is devoted to shipbuilding. My hon. friend will build ships for any country in the world that wants them, but as for building ships for the benefit of the Canadian people—perish the thought! He admits that the difficulties of the consuming population are very serious. They are more than serious. In many sections of Canada the people look forward to the coming winter with great anxiety because of the fear that they will not be able to get enough coal to keep their houses warm and avoid suffering and hardship. The prices of all the necessaries of life have gone up tremendously, much more than they would have gone up if the Government had, even in a small way, taken charge of the water transportation of Canada and provided for the building of ships. My hon. friend says that they are suffering hardships in England; that they cannot get potatoes; that they are living on allowances. Is that any answer to make to the people of a country that is 3,000 miles from the theatre of war, a country which is far richer in proportion to population than any other country in the world? There ought to be no distress in Canada, a country which is capable of producing enormous quantities of foodstuffs, which has an abundance of bituminous coal, and which is alongside the great coal mines of Pennsylvania. The people are in actual distress because of the high cost of the necessaries of life. My hon. friend, although he admits the condition to be serious, turns a deaf ear to the appeals which the people, through the members of this Parliament, are making to him and to his Government to take some steps to secure cheaper transportation. You may theorize as much as you like; the only course for this Government to pursue, if they wish to remedy this condition, is to give contracts for the building of ships and, by taking charge of water transportation, cheapen the cost of carrying the necessaries of life from the point of production to the point of consumption. Why do they not do it? Is it because they have a prejudice against the building of ships? Let me implore them to remember that it was only warships that they asked the people to believe they could not build in Canada. If they engage in the building of commercial vessels, they will not be regarded as having gone back on their policies. Let them not be afraid to do it; let them take a step which will be more advantageous to the people than anything else that they could do. Parliament would gladly ratify any proposal of that kind and I am sure that the country would be enthusiastic in its support of the Government's action. Indeed, they would almost —but not quite—forget many of the sins of which the Government have been guilty.

Mr. LOGGIE: I was informed a few days ago that a shipbuilding company on the Miramichi river, who now own a shipyard which was in operation many years ago, are ready to construct immediately 5 ships of 500 tons each if they can get a contract from the Government or from the Imperial Munitions Board. I should think that ships of 500 tons would be very useful, if not for ocean trade, certainly for trade along the coast between Canadian and United States ports. The minister has said to-day that the Imperial Government have intimated that they do not think it wise to construct sailing vessels for ocean traffic. I am willing to concede that there may be some question as to the wisdom of encouraging the construction of sailing vessels of that tonnage at this time. As sailing vessels are somewhat slow, they might find it difficult to get away from the submarines. But if the Government want ships of the tonnage I have mentioned, I direct their attention to this company which is in a position to enter into a contract for their construction.

Mr. PUGSLEY: Would they furnish auxiliary engines?

Mr. LOGGIE: I suppose they would.

Mr. MARCIL: Will these ships being built for the Imperial Government be used in the Canadian trade?

Mr. HAZEN: I assume that they will be used where they will be of most advantage.

Mr. MARCIL: Having regard to the shipbuilding activity that has taken place in Nova Scotia and New Brunswick, and along the St. Lawrence without a national shipbuilding policy, it must be evident to the minister that if the Government gave some sort of encouragement to the industry, it would be very materially extended. What we need is ships to carry the products of the country inland. The first trip of a subsidized steamer last year on the Baie des Chaleurs route to Gaspé was made on the 5th of August, so that during the months of April, May, June and July not a single ship was available to convey to suitable markets the salmon caught in that vicinity, which are unparalleled in the world. In answer to questions which I asked on two or three occasions last year, the Minister of Trade and Commerce said that he was unable to get ships. This year he has put on a small river boat which had been hardly sufficient for the business on the St. John river, and which is not at all adequate for the business in which it is now engaged. It is unable to handle the trade, and along that whole coast there is practically no shipping whatever. The Baie des Chaleurs, on the Quebec as well as on the New Brunswick side, is one of the finest sheets of water on the North American continent. For tourists it is unsurpassed. There is an ocean trip in view of land, with an ever-changing scenic panorama. The resources of that peninsula have not been touched. There is enough pulpwood there to supply the North American continent for a century, but the Government has made no attempt whatever to develop those resources.

The time would be opportune to start a shipbuilding industry on that coast. The same thing applies to Northumberland, Gloucester, Restigouche and the whole northern coast of New Brunswick. That is a remote part of Canada, but it is a part of Canada from which communication with Europe is easy, and it might be utilized to supply eastern Canada with a great variety of things that are very much needed. Take for instance at the present moment the question of potatoes. The people of Ottawa are paying at present 45 cents a gallon of potatoes. I remember two or three years ago at a place where I spent the summer, potatoes were selling at 50 cents a barrel.

(Mr. Loggie.)

At Montreal, potatoes are selling now at $8 a barrel; I do not know what they are selling at in Toronto, but that is a condition of affairs which should not exist. If we had these schooners able to do the business of the Baie des Chaleurs and the St. Lawrence, just as in the old days, to transport the products of the country, the cost of living would be very materially reduced. I remember in the old days in Montreal, when I was a boy, we used to go down to the Bonsecours market and buy a peck of Malpeque oysters at 25 cents, and we could get them at $1.50 a barrel. That is an industry that has been allowed to go almost to the vanishing point, and to-day we are paying in Montreal $15 a barrel for oysters which bear the name of Malpeque, but I do not know whether they come from there or not. That is an industry that could have been developed easily by water transportation. Is it not ridiculous to see a magnificent waterway like the St. Lawrence and all its tributaries practically unused, because while the ships that navigate the St. Lawrence are used for ocean service, or communication abroad, none of the inland trade is developed? The minister has told us that an embargo has been placed on the importation of lumber into England. This would be an opportunity to have sailing vessels and smaller craft develop our lumber industry on the Baie des Chaleurs and the St. Lawrence. We have in those districts millions of acres of timber limits which are undeveloped on account of lack of communication. In my own constituency an important syndicate some five or six years ago purchased a large timber limit, 400 square miles, for, I think, over half a million dollars. There were three or four sawmills within reach of that limit; but they have been closed down, and the men who were employed in them had to leave that district and go to Bathurst and other places in New Brunswick where there was communication along the line of the Intercolonial. This large Robitaille timber limit, one of the finest timber limits in the whole of eastern Canada, is idle to-day for lack of communication. We have a small railway with one train a day, doing the best it can with practically no rolling stock and without locomotives able to handle the traffic. We have no sailing vessels. In the county of Gaspé we have a syndicate from Philadelphia which has spent three or four million dollars in the last few years to establish a large pulp industry in the endeavour to develop the natural industry of that district, but there is no way by which

the products of that industry can be taken to Montreal. There are no bottoms by which they can be taken either to the American market or to the Canadian market, and this railway which should have been linked with the Intercolonial 25 years ago and which was intended by Sir Charles Tupper, when he received the first vote of Parliament for it, as a branch line of the Intercolonial, remains as it is to-day, and the people at Gascons say that the wharf is in such a condition that whatever sailing craft does go there is unable to stop at this wharf, and that the people have to drive twenty miles to Port Daniel to ship their products, as in the same old days of long ago.

The minister should realize that a vigorous shipbuilding industry is essential and indispensable in this country. The opportunity is furnished to him now to link his name with that great industry. Were he the representative of an inland constituency, and unaware of the advantage of shipbuilding, the matter would be different. Who is not aware that no country can be truly great unless it possesses a mercantile marine? What would England be to-day without a navy; what would she have been in peace time and what would she be in war time without a navy? Why should Canada, this young giant, which is doing such great things in the railway field, and which, in other enterprises, is second to none in the world, lag behind in this matter of shipbuilding when she has half of the fresh water of the continent at her disposal? I was amazed to hear the Minister of Marine and Fisheries practically admit that the shipbuilders of New Brunswick had lost their cunning and that shipbuilding there was almost a lost industry. My hon. friend from Northumberland (Mr. Loggie) corrected him on that score, and showed him that in that member's constituency the builders were prepared to go immediately into shipbuilding. The minister should take up this matter and see that it is brought to a conclusion, because, if he does not do it himself, the time is not far distant when the public opinion of Canada will insist on the Dominion Government coming forward with a truly national shipbuilding policy for Canada.

Mr. SINCLAIR: Will the minister be good enough to answer my question?

Mr. HAZEN: The hon. member asked me a question with regard to the tariff and an Order in Council. I do not want to answer the question off-hand without having that Order in Council before me, because I would like to be thoroughly accurate in regard to the matter. My understanding, however, is that the machinery, plates and boilers that enter into the construction of ships, if those parts are imported, they either enter Canada free of duty or are entitled to a drawback of 99 per cent of the duty paid upon them.

Mr. SINCLAIR: Does it make any difference where you buy them?

Mr. HAZEN: I do not want to speak positively on the subject; I will get the Order in Council and send it to my hon. friend.

Mr. TURGEON: No doubt everything that can be said on behalf of shipbuilding has been said, but still I might be permitted to make a few remarks to the minister, so far as northern New Brunswick, especially Gloucester county, is concerned. When speaking on the Budget a few days ago, I earnestly advocated shipbuilding in Canada, and particularly the building of wooden ships in the Maritime Provinces. My leaning towards the building of small wooden ships is based on the fact that while we may be building large steel ships either for Canada or for the Empire, and while our builders and steel manufacturers may be building steel ships after the war is over, Canada will be left altogether powerless as to her local water traffic in the future. The more steel ships we build, even if those ships are not wanted by the Imperial Government, they will, as fast as they can be built in Canada, be bought by France or other nations requiring them, and Canada will be left altogether without ships unless we start right away to build wooden ships for our coastwise and inland service, without which our trade will be crippled in the future. Wooden ships are the only kind we shall be able to preserve for ourselves after the war is over, and every possible effort should be made to build those ships. Perhaps the minister is aware that at Bathurst, which had formerly great wooden shipbuilding yards, there is one special company to-day which would be prepared to undertake the construction of wooden ships under any favourable conditions; 500 tons has been mentioned as the limit, but so far as Bathurst and that company are concerned—and I name the Bathurst company, with whose general manager I have had some conversation, not recently, but some months ago—they would be willing to build ships, not only of 500 tons, but up to

1,000 tons. The impression is that in northern New Brunswick the old wooden shipbuilders have gone to their graves, but I would say for the information of the minister that born carpenters who were able, two, three or four years ago, to build wooden ships of 125, 150 or 200 tons, which have taken the highest honour among the seagoers of the day, ought to be able to extend their genius to building ships of 500 or 1,000 tons.

Ships of the kind that are now being built in other parts of Canada were built at Caraquet a few years ago. Every year our fishermen build schooners of from 50 to 100 tons without any outside assistance. They cut their own lumber in the woods, and build ships which are as good as any that sail the seas. I think every possible effort should be made to encourage those who are in a position to build ships in northern New Brunswick. I am not asking that shipbuilding be confined to Bathurst. Every winter there is a large quantity of lumber cut on the Caraquet river, and ships of 500 tons could easily be built there, and at Tracadie. I think every effort should be made by the Government of the day and by succeeding governments to develop the shipbuilding industry in this country both now and after the war.

Mr. J. H. BURNHAM: Representing an inland constituency, I may say that we in Ontario have frequently been in somewhat of a fog in regard to the shipbuilding industry in Canada. We hear statements made pro and con. Our hopes are raised at one minute only to be dashed the next. We are all anxious to see the shipbuilding industry in Canada develop.

Mr. PUGSLEY: How can you develop it unless you begin to develop it?

Mr. BURNHAM: I appreciate the logic of my hon. friend, but I do not appreciate the logic of the hon. member for Gloucester when he says that if shipbuilding were started down there, the ships would be nabbed up in a minute. If that is the case, why on earth do they not start to build ships?

Mr. TURGEON: Give us encouragement.

Mr. BURNHAM: Is this the free trader who asks for bounties and subsidies? Is it any wonder we are in a fog?

Mr. MACDONALD: You are not, surely.

Mr. BURNHAM: We want to see these things encouraged. It is the policy of protection to maintain a balance or equilibrium, and we all recognize that the balance as between rail and water transportation in Canada has not been preserved; we have too many railways, and too few lines of ships. The Atlantic shipping pool and other things of that description have collared the freight, and the consequence is that Canada is very largely debarred from the ocean. All this certainly ought to be corrected, and we hope it will be. We have been looking to the men of the sea, who have done so much in the past, to go on and develop the shipbuilding industry.

Mr. PUGSLEY: I thought you wanted to encourage us.

Mr. BURNHAM: We do.

Mr. PUGSLEY: Why don't you do it.

Mr. BURNHAM: We don't want to buy you. The truth is that wages in other countries have been so low that it did not pay Canadians to go into the business. But these things must naturally correct themselves. There must be a certain amount of industrial skill, of course. It would be absurd to maintain that Canada should provide bonuses for the shipbuilding industry.

Mr. MARCIL: How were the railways of Canada built up?

Mr. BURNHAM: Largely by bonuses, for which I am afraid the hon. member voted in many cases.

Mr. MARCIL: Is there any difference in principle between bonusing railways and bonusing ships?

Mr. BURNHAM: Yes. If we bonused shipbuilding we should land in the same position we are now in with regard to railways, and we do not want anything of that kind.

Mr. HAZEN: I hope we are not going to discuss the railway question on this item.

Mr. BURNHAM: As these gentlemen are groping for light, and we are all doing that more or less, I thought an illustration would not be out of the way. We in Ontario, as I said before, are somewhat in a fog on this question of shipbuilding. We have shipbuilding firms in Ontario, at Toronto, Midland, Collingwood, Owen Sound and other places, and they are all thriving, and we in Ontario cannot understand why shipbuilding in the East cannot thrive too.

Mr. PUGSLEY: In nearly all those cases was not a bonus given for the establishment of a dry dock and for a ship repair-

ing plant which could be used for shipbuilding as well?

Mr. BURNHAM: Do I understand my hon. friend to say that Parliament sanctioned the expenditure of money in the direction indicated by him?

Mr. PUGSLEY: Of course you do not want a dry dock or the plant connected with a dry dock for wooden shipbuilding, but Polsons, Vickers-Maxim, the Collingwood Shipbuilding Company, and the Port Arthur Company all received substantial aid from the Government.

Mr. BURNHAM: The whole matter simply comes down to this: the people of eastern Canada wish to see the development of wooden ships, and wooden ships alone.

Mr. PUGSLEY: That is for a starter.

Mr. BURNHAM: Aren't you doing pretty well with steel ships?

Mr. PUGSLEY: No.

Mr. BURNHAM: Well, what is the matter with you?

Mr. SINCLAIR: It is impossible to get steel.

Mr. BURNHAM: I thought one of our biggest steel works was situated down East. I think I had better drop out of this discussion altogether.

Mr. MACDONALD: There are certain facts with reference to the situation which are given a little more in detail in the report of the Department of Marine and Fisheries. I see in a report that was made to the minister by Mr. Robb an account of the legislation that has been passed in other countries for the assistance of shipbuilding. There is also a statement of Great Britain's losses in merchant shipping down to March 30, 1916, which shows that the British steamships lost up to that date amounted to 1,320,000 tons, and sailing vessels 19,000 tons. The total Allied losses in shipping since the outbreak of war to March 30, 1916, exclusive of trawlers, of which 246 were lost, amounted to 1,658,000 tons. In view of the activity of submarines since that time, the losses down to March 31, 1917, will probably be double that figure, which would bring the total to over 3,000,000 tons.

Then there is the loss of tonnage to neutral nations, amounting to 1,977,376 tons. Of course that amount also will be very largely increased. So we shall have a total destruction of vessels approximating 7,000,000 tons.

Mr. HAZEN: The latest statement I have is that on January 1, 1917, the net loss to the British mercantile marine was a little less than five per cent of the whole.

Mr. MACDONALD: Have you the tonnage?

Mr. HAZEN: No, only the percentage. I have the figures of tonnage in my office, but, unfortunately, they are not before me at the moment.

Mr. MACDONALD: I think the figures go to indicate that mercantile vessels of not less than 7,000,000 in the agggregate have been removed from seas. During the year 1915 Great Britain had added 344,000 tons as her contribution towards making up that loss.

The report contains a statement of what has been done by other countries in the way of promoting construction. In Austria-Hungary, they grant for steamships of iron and steel $8.10 for every gross ton. In the case of sailing ships of iron and steel, when more than half of the material employed is of home production, the bounty is increased by one per cent of its amount for every one per cent of such material in excess of fifty per cent. In the case of sailing ships of wood or mixed construction, for the hull they give $2.02 for every gross ton. In Denmark they give a refund of customs duties on imported materials used for the construction of new ships. In France, in 1906, the assistance toward the construction of steamships was fixed at a maximum of $33.58 per ton, to cover both hull and machinery, and to diminish gradually for ten years. This was divided up into various amounts for hull and machinery. There was a construction bounty for sailing ships of 150 tons and over at the rate of $7.78 a ton, and for vessels of less than 150 tons at $5.84 a ton. In the German Empire the bounties do not take the form of a premium on the construction of ships, but consist of special customs facilities for goods destined for use in shipbuilding yards, and, in the second place, of preferential railway rates. In Italy they give bounties in the form of navigation premiums, construction and repair bounties, and remission of customs duties, during a period of fifteen years. Japan, which now comes into the world's economy on the same plane with the western nations, began shipbuilding in 1910. They provide a bounty for steel vessels of 1,000 tons or over of $5.46 to $10.93 per ton of the gross tonnage

of the hull. In Norway the assistance of bounties is to cover the amount of customs duty on imported material used in the construction of vessels. In Russia the estimates of the Department of Mercantile Marine included, for 1909 and subsequent years, a sum of $51,428.52 for the encouragement of shipbuilding.

An interesting statement is given of the tonnage of Canadian vessels from 1874 to 1916. This shows the transition of our registration. Comparing 1874 with 1915, the figures show as follows:—

Province.	1874. Tons.	1915. Tons.
New Brunswick	294,741	56,219
Nova Scotia	479,669	125,567
Quebec	218,946	267,897
Ontario	113,008	312,971
P. E. Island	48,338	11,518
British Columbia	3,611	144,835

It is rather surprising to observe by the figures showing where registration of vessels takes place. In Collingwood, Ont., which is a construction point, the registration in 1915 was only 15,500 tons. In Toronto the registration amounted to 64,000 tons. A large registration is found at Port Arthur and also at Ottawa, these, I suppose, being small vessels for use on the lakes.

There has been construction of steel vessels in Montreal, and also in certain Ontario ports for some time. Steel vessels are now constructed in British Columbia. Their supply of plates must be drawn from points in the United States. I see no reason why British Columbia should present special advantages for the building of steel ships over other portions of the Dominion, as there is no supply of steel plates there. The Minister of Marine and Fisheries has told us that steel plates for the construction of ships are not to be had in Canada. I know that they are not manufactured here, but I think it is imperative that the Government should assist the construction of steel vessels in Canada by taking up this question of the production of steel plates. The Government are not going to be in any better shape to launch a shipbuilding policy after the war if they do not, in the meantime, provide for the production of steel plates in Canada.

Everything that can be made in steel, with the exception of large structural steel, which is now only made in Pittsburg, is made by the various steel industries of this country, and the question of encouraging the construction of steel plates in our steel industry, which has reached colossal proportions, is one that the Government should direct their attention to now. It is no use talking of building vessels after the war if the Government is not going to move in the meantime in reference to assisting to develop the proposition of making steel plates in our steel industries. I am at a loss to know what the minister meant when he spoke about the Government assisting the steel industry in connection with the shipbuilding industry if the assistance that is required is not to be given until after the war. If they mean to do anything after the war in regard to steel shipbuilding, they will be about as far ahead in the matter as they are to-day unless they begin now to assist in the manufacture of steel plates.

With regard to the construction of wooden vessels, it is all nonsense for the minister to say that the Government want to do what the British Government are doing through the Imperial Munitions Board in connection with the construction of wooden ships of a certain class. If the Government want to do anything similar in order to get a merchant marine, they can start by building smaller vessels, for which they can get numerous contracts placed all over the Maritime Provinces. The minister does not answer this problem by reading a statement of the number of vessels that are being built, and telling us what the British Government are doing through the Imperial Munitions Board. The minister told us that the thing that was nearest to his heart was to have a Canadian mercantile marine. He is perfectly willing that Great Britain should build these ships through the Imperial Munitions Board, but he is not willing that the Canadian Government should do anything for their own shipbuilding industry. Why wait until after the war? Why, in view of the story of the wholesale destruction and disappearance from the sea of such a tremendous quantity of tonnage as 7,000,000 tons, should we in Canada not do anything to build either wooden or steel ships until after the war? What was the meaning of Mr. Lloyd George's appeal: Give us ships and more ships to win the war? Is Canada not going to do anything in regard to that matter? Are we simply going to guarantee the credit of Great Britain to the extent of $10,000,000 and say that our duty has been fulfilled, and all the aid that we can give in this matter has been given? When the minister said that no ships would have been built in Canada but for that credit, he made a statement that I listened to with amazement. Are we to be told that Great

Britain had placed in the United States contracts for over a thousand vessels and that she preferred to go to the United States rather than to come to Canada? If so, it is time we found it out. When we are told the British Government would not come to Canada to build ships unless the Canadian Government agreed to provide a credit for them, I want to know why they went to the United States to build ships. They went without getting a credit from the Government of the United States. The reason they went there was purely a business proposition. Why should they not have come to Canada? Unless there is a move made by the Government we are in this unfortunate position that we will have no mercantile marine at all between what has been destroyed and what has been commandeered by the British Government. It will be almost impossible to handle our natural products on the sea or to carry on our interprovincial trade and the result will be that when the war is over, if we are going to do nothing, we will have no mercantile marine to build up our trade and the whole thing will be gone. We will have no provision in this country for the manufacture of steel plate which will enable us to undertake steel shipbuilding and under these circumstances the imperative demand is that the Government should move now and do something.

Public works chargeable to capital—To provide for construction and completion of dredging plant for St. Lawrence river from Montreal to Father Point, $216,550.

Mr. SINCLAIR: Where is the minister going to construct this dredging plant?

Mr. HAZEN: This plant is in connection with the shipyard at Sorel. The vote last year was $452,715, the vote this year is $216,550, decrease $236,165. The estimated expenditure for this year: Maintenance of shipyard, $63,550; improvements to shipyard, $3,000. There is now under construction by the Canadian Vickers a self-propelling sea-going dredge at an estimated cost of $150,000. The repair work in connection with the tugs, dredges, and fleet on the river St. Lawrence is done at Sorel. The shipyard there does a certain amount of construction work when new construction is required, but this year we have no new work. The yard is doing a certain amount of work for other purposes which I do not wish to mention publicly.

Mr. MARCIL: Is there any part of the work that the minister can mention?

Mr. HAZEN: It is the building of vessels which are not to be used in connection with the channel but in connection with the war.

Mr. MARCIL: Has the total number of employees increased?

Mr. HAZEN: The number employed is a little below 800.

Mr. MARCIL: Is that more than usual?

Mr. HAZEN: At times the number employed runs to 1,100 or 1,200, but it generally falls off during the summer.

Mr. MARCIL: I saw references in the Montreal papers to a strike that had taken place in the Sorel shipyard. It was stated that the men had been given an increase and that although the strike seemed to be settled there was still some grumbling.

Mr. HAZEN: Everybody is at work again and the shipyard is running as usual.

Mr. MARCIL: At increased pay?

Mr. HAZEN: The strike, in my judgment was a very improper one. The first I knew of it was that the men had gone out. Whenever representations are made to us we give them prompt consideration, and if representations had been made they would have been considered. As a matter of fact the scale of pay of some of the men was not, under the circumstances, as much as it should have been and after consulting with the Labour Department we got the matter adjusted.

Mr. MARCIL: Did the strike include all the hands?

Mr. HAZEN: It included enough to actually cause the shutting down of the shipyard. I think the great bulk of the men did not approve of the strike, because when I gave orders to close down the yard pending adjustment, many men came to the officers of the department and expressed regret at what had occurred and asked to be permitted to go back at once, as they were perfectly satisfied that the department would deal justly with any cases that might arise, as in all such matters, as a rule, the condition of affairs was not brought about by dissatisfaction on the part of all but on the part of a few, and some acted very unwisely and in a way calculated to bring injury on many others who were perfectly satisfied with the conditions existing. I am glad to say that the differences have been adjusted.

Mr. MARCIL: Would the minister give a statement of his programme on the St. Lawrence for the coming year, dredging, etc.?

Mr. HAZEN: We are going on with the dredging, but not on as large a scale as last year, because we feel the necessity of curtailing expenses. The channel is in good condition according to all reports. But we are not doing as much work. We are still continuing to straighten the channel at the points where it needs straightening, and we are deepening it down to thirty-five feet and widening it in portions where it is too narrow. But in doing that work we are not keeping as large a force as in previous years. We have practically cut off the night shift. That is where the saving of $500,000 largely comes in.

Mr. MARCIL: The work this year will be between lake St. Peter and Quebec?

Mr. HAZEN: Yes, and below Quebec.

Mr. MARCIL: On the north channel?

Mr. HAZEN: On the north channel.

Mr. MARCIL: Is that ready for navigation?

Mr. HAZEN: Not yet.

Mr. MARCIL: When is it hoped that this channel will be opened?

Mr. HAZEN: In the course of a year and a half or two years. The slackening of work this year will defer its completion.

Mr. MARCIL: Is there the same depth of water in that as in the south channel?

Mr. HAZEN: Yes.

Mr. MARCIL: What is the idea in having the north channel?

Mr. HAZEN: It is felt that it will be much safer. It is on the south side that the only obstruction to successful navigation below Quebec occurs. By opening the north channel we will have much safer navigation.

Mr. MARCIL: Has there been any trouble with water levels in the St. Lawrence lately?

Mr. HAZEN: No. We had the Commission which inquired into it and made a report recommending that the material taken out in dredging the channel be used in forming dams to keep the water back. Last year the water was unusually low in the St. Lawrence, but the largest steamers, drawing 27 feet, and vessels of that kind, passed up and down the river without any difficulty and in perfect safety.

At six o'clock the House resumed and then took recess.

After Recess.

The House resumed at eight o'clock.

PRIVATE BILLS.

SECOND READINGS.

Bill No. 51, for the relief of Delbert Ralph O'Neil.—Mr. Buchanan.

Bill No. 52, for the relief of Edward Austin Barnwell.—Mr. R. B. Bennett.

SUPPLY.

The House in Committee of Supply, Mr. Rainville in the Chair.

Lighthouse and coast service—Agencies, rents and contingencies, $166,000.

Mr. MACDONALD: The junior member for Halifax (Mr. Maclean) desired me, in his absence, to ask the minister for the facts in connection with the dismissal of James Lovitt from the Marine office at Halifax.

Mr. HAZEN: Mr. Lovitt was dismissed on the recommendation of the Prime Minister, the representative of the constituency. I would suggest that the hon. gentleman ask the question when the Prime Minister is here.

Mr. MACDONALD: It would be in order that the papers in connection with the matter be brought down.

Mr. HAZEN: The deputy minister tells me that everything on file in the department in connection with the matter has been brought down.

Mr. SINCLAIR: When we discussed this matter on a previous occasion, we understood that the papers would be brought down when the Estimates were reached.

Mr. HAZEN: That must have been when I was away. If there are any other papers, I will see that they are brought down, and, if hon. gentlemen wish it, we will let an item stand so that the member for Halifax will have an opportunity of discussing the matter when he returns.

Mr. MACDONALD: Why was Mr. Lovitt dismissed?

Mr. HAZEN: I think it was on the ground of partisanship.

Mr. MACDONALD: It was a long time after the election.

Mr. HAZEN: The rule laid down by the right hon. leader of the Opposition was that if a member of Parliament asked for the dismissal of an official on the ground of political partisanship and was willing to take the responsibility for it, his request would be granted. I have never asked the chairman to enforce the rule that discussions in Committee of Supply should be absolutely confined to the item under consideration. I am always willing that there should be a great deal of latitude, so that this matter can be discussed on any other item.

Mr. MACDONALD: Last summer, without any apparent reason, the agency of the Marine and Fisheries Department in my county was suddenly closed and the agent, Mr. Noonan, summarily dropped. The reason given was that certain boats had passed over to the Railway Department. The office was subsequently reopened, and on the death of the person then in charge, a new officer was appointed at a reduced salary. Is this condition to be permanent, or is it only temporary?

Mr. HAZEN: My recollection is that the agent at Pictou was receiving $1,000 a year. His duties were largely in connection with the crossing to Prince Edward Island and the management of the boats during the winter months. In view of the changes which were made in that service, and acting on what I thought was the absolutely correct information given by my officials, I decided that the office should be closed. I did not think that the work done would be sufficient to justify the continuance of an agency there. Reports were subsequently made to me, however, by officials of the department, pointing out that this agent had been doing other work as well in connection with the Department of Naval Service, the remuneration for which was covered by his salary as agent for the Marine and Fisheries Department.

In consequence of those reports which I received from the Inspector of the Marine Agencies and other officials in my department, I decided to continue the office, but at a salary of only $400, which it occurred to me would be sufficient to cover the work which the agent would do. The policy of the department would be to continue the agency there but at the reduced salary of $400 instead of $1,000.

Mr. MACDONALD: Is the minister aware of the necessity of telephonic communication with Pictou Island? I understand that it was brought to his attention. There is an absolute necessity of having telephonic communication with the island if the life-saving station is to be made of any practical value. The life-saving station is at a point about ten miles away from the nearest telegraph or telephone, and there is no way of communicating in the event of a wreck. A cable was to be laid, I think, in conjunction with the Government; I understand that petitions have been sent to the department asking for that, and I am instructed that Mr. Nickerson, the late inspector of life-saving stations, recommended to the department the necessity of furnishing some means of communication with the island.

Mr. HAZEN: The papers in connection with that matter would be in the Department of Naval Affairs, and consequently I have not the papers, nor the information here to-night. If the hon. member will let the matter stand until the estimates of that department are brought up, I will then bring down all the papers.

Mr. MACDONALD: Certainly.

Mr. SINCLAIR: I asked the minister for information in regard to appointments in his department under section 21 of the Civil Service Act. Perhaps I had better read the section in order that he may fully understand what I mean.

Mr. HAZEN: I understand it.

Mr. SINCLAIR: Section 21 of the Civil Service Act reads:

> If the deputy head reports that the knowledge and ability requisite for the position are wholly or in part professional, technical or otherwise peculiar, the Governor in Council, upon the recommendation of the head of the department based on the report in writing of the deputy head, may appoint a person to the position without competitive examination and without reference to the age limit, provided the said person obtains from the Commission a certificate, to be given with or without examination, as is determined by the regulations of the Commission, that he possesses the requisite knowledge and ability and is duly qualified as to health, character and habits.

I discovered that a very large number of appointments were being made by the present Administration under section 21, and I was trying to ascertain from the various departments why they found it necessary to resort so generally to this section. There are not a very large number in the Department of Marine and Fisheries.

Mr. HAZEN: Six, I think.

Mr. SINCLAIR: I find from a return that there were two appointments after competitive examination and four without competitive examination in the Marine and Fisheries Department. In the Naval Service, there were four appointed after competitive examination and two without competitive examination, making twelve altogether.

Mr. HAZEN: Ten altogether, is it not?

Mr. SINCLAIR: No, twelve. The purpose of the Civil Service Act was that civil servants should be appointed wholly on their merits after competitive examination. and it is important for the efficiency of the service that this rule be strictly adhered to. I understand that occasionally a friend of the Government desires to obtain an appointment in some department, and he is perhaps too old to be taken in under the ordinary rules, or unable to pass an examination, and in that event section 21 is resorted to. This was never intended at the time the Act was passed. This section was intended for the appointment of officials with professional or technical ability. The explanation given when the Act was passed in 1908 was that occasionally the Government would require to introduce into the Civil Service some eminent man from abroad or perhaps from Canada who would not be willing to submit himself to an examination by the commission, or who, perhaps, would be over age. The Marine Department might want an engineer or some man of ability, and if such a one were appointed no one would complain; but when we find that the present Administration has appointed 174 men under section 21, it is clear to every one that there is an abuse. We want to ascertain who is the sinner who is perpetrating these abuses, and while I do not say that the Minister of Marine has perpetrated any, I would like to have from him the information as to whom he has appointed in his department, the name of each, age at the time of appointment, former employment, present employment, salary paid, and the reason why section 21 was resorted to in each case.

Mr. HAZEN: In the Department of Marine and Fisheries, during the period of nearly six years that I have been head of that department, there have been six such appointments, as is shown by a return laid on the table of the House. I do not know whether I can name the officials from memory, but I can name some. One is Mr. George Herbert Flood, who was appointed purchasing agent of the department. When I came into office, the purchasing agent was Mr. Cecil Doutre, who was a very satisfactory official. Mr. Doutre felt that he could earn a larger salary and improve his position outside of the department, and, very much to my regret, he resigned. The position of purchasing agent is one of great importance. After discussing the matter with my officials, I came to the conclusion that it was absolutely necessary to have in that position some one who had previous experience, not only in business, but in the business of the department itself. It occurred to us it would be proper to promote one of the agents, and, on looking over the list of agents, we concluded that the best appointment we could make would be that of Mr. George Herbert Flood, who was agent of the department in the city of St. John, and who had been appointed a few years before I came into office. Speaking offhand, I may say that at the time of his appointment he was a man of about forty-five or forty-six years, perhaps a little more. His record in the department was wonderfully good; we regarded him as a competent official, and we decided in the interest of the department that we could not do better than to appoint Mr. Flood. In consequence of his age, we had to appoint him under section 21. If I recollect aright, the Civil Service Commissioners approved of his qualifications. Another gentleman appointed under this section was Mr. McDonell, in connection with the shipping branch of the department. He had been in the department for five years when this vacancy occurred. An examination was held, which he passed most satisfactorily, and which showed that he possessed the necessary technical knowledge. His position is assistant to the chairman of the Board of Steamship Inspection, which requires considerable technical knowledge and skill regarding the construction of ships, boilers, and so forth. Another gentleman appointed under this section was Mr. Thomas Ferguson, the present chairman of the Board of Steamship Inspection. He had been in the outside service for a good many years, and was considered to be the best qualified man for this position.

Mr. SINCLAIR: Perhaps the minister could give me all the names and particulars later on.

Mr. HAZEN: I shall be glad to do so when the Naval estimates are before the House.

Mr. SINCLAIR: I see by a return brought down a few days ago that there has been practically no increase in the staff of the Department of Marine and Fisheries during the last four or five years, but that there has been a large increase in the expenditure of the department.

Mr. HAZEN: That comes under the Naval Department.

Mr. SINCLAIR: I am speaking of the Fisheries Department.

Mr. HAZEN: Yes, but the Fisheries are administered by the Department of Naval Service. My hon. friend will recollect that we have discussed this time and again in the House. About three years ago, in order to equalize the work of the two departments, one of which was heavy and the other comparatively light, the Fisheries were brought under the Department of the Naval Service.

Mr. SINCLAIR: The increase is therefore in the staff of the Naval Department.

Mr. HAZEN: Yes. There has been no increase in the staff of the Marine and Fisheries Department.

Mr. SINCLAIR: What increase has there been in the staff of the Naval Department?

Mr. HAZEN: I could not say offhand, but I shall be glad to give my hon. friend the information when the Naval Estimates are up.

Salaries and allowances to lightkeepers, $425,000.

Mr. SINCLAIR: Has any change been made in this service?

Mr. HAZEN: There is a slight change. The expenditure for 1915-16 was $449,961, and the expenditure for the year ending March 31, 1917, $460,999.74. As the service is gradually being enlarged from year to year, there is a corresponding increase in the expenditure, as more lights are established and more lightkeepers appointed. The expenditure by provinces, in round numbers, is: Nova Scotia $121,000, Prince Edward Island $16,000, New Brunswick $50,000, Quebec $69,000, Montreal district of Quebec $32,000, Ontario $94,000, British Columbia $65,000.

Mr. SINCLAIR: Is it intended to increase the salaries of the lightkeepers?

Mr. HAZEN: We have received requests from different parts of the country for an increase in the pay of lightkeepers, and we shall take this matter into consideration.

Mr. MARCIL: Will anything be done in that regard this session?

Mr. HAZEN: I do not think so.

Mr. MURPHY: I should like to draw the minister's attention to the lighting of the Rideau canal. I was under the impression that that was done by the Department of Railways and Canals. I brought to the attention of the Minister of Railways a few days ago the fact that the canal had been lighted above Smith's Falls, that is, that portion running through Leeds, Lanark, Grenville and Frontenac counties, but that portion running through the counties of Russell and Carleton had not been lighted this season. Possibly this is an omission, which will be rectified on the minister's attention being directed to it. I do not wish to delay the committee at all, and I will take the liberty of sending my hon. friend a small file of correspondence tomorrow, knowing that he will have the matter attended to. It is represented to me that there are about 1,000 power boats on this waterway, representing an investment of at least $1,000,000, and that by reason of the increased production taking place along the canal and the river there will be a great increase in navigation this year. The prospect is also held out that unless present conditions materially change, coal may be brought down this waterway as in years past. For these reasons, the lighting of what is represented to me to be possibly the most dangerous part of the channel is a very important matter, and if my hon. friend will be good enough to say he will have this matter attended to, I will send him the correspondence tomorrow or the next day.

Mr. HAZEN: I shall be very glad to attend to the matter. The procedure when lights are applied for is to send the applications to the Lighthouse Board of Canada, which consists of the deputy minister and the chief engineer of the department, the inspector of lights, and the Chairman of the Shipping Federation of Canada, and the Chairman of the Dominion Marine Association. The board meets regularly, and when an application comes before them for a light or a buoy or some other aid to navigation, the matter is referred to them and they get reports from the inspector of lights and other sources, and then decide whether the request shall be granted. There is also a gentleman on the Pacific coast, Captain Troup, who deals with these matters on that side of the continent.

Mr. MURPHY: That would be the procedure in case a new light or buoy was

asked for, but in this case the lights have been in existence, but they have not been placed this season.

Mr. HAZEN: I will look into that.

Maintenance and repairs to lighthouses, $750,000.

Mr. HAZEN: This is to provide for the maintenance of aids to navigation, including the cost of supplies, such as fuel, illuminants, cleaning material and other supplies, with the delivery of the same, and also the cost of repairs to these aids to navigation. The amount spent in this service in 1915-16 was $604,000, and last year it was $654,000. The increase was mainly due to the higher prices of supplies. The expenditure was divided by provinces as follows. Nova Scotia, $125,000; Prince Edward Island, $13,000; New Brunswick, $94,000; Quebec $123,000; Montreal, $51,000; Ontario, $94,000; British Columbia, $77,000; General, $14,700. The cost of this work of maintenance cannot be predetermined, but the officer whose business it is to report on this matter says that the amount asked for will be ample for the year. We will keep the expenditure as low as possible, though it is difficult to keep it down on account of the increased cost of supplies.

Mr. McKENZIE: Is anything being done with regard to Ingonish harbour, in Victoria county? It was deepened twelve years ago, but before that it was rather a bar harbour. The entrance to the harbour is under the famous Cape Smoky, the highest peak in Nova Scotia, and I understand that the engineer sent report on the project, advised that range lights could not be placed there on account of the height and steepness of the mountain. There are aids to navigation there which are fairly useful in the daytime, but which do not help at night. This harbour is very much used, especially for fishermen and large vessels for shelter, and also by three or four steamers running between Halifax and Cape Breton and Newfoundland. I have advised putting lighted buoys at the entrance of this harbour. Three or four on either side would be much help.

Mr. HAZEN: I will refer the matter to the Lighthouse Board and ask them to make a report with a recommendation.

Construction of lighthouses and aids to navigation, including apparatus, submarine signals, and providing suitable boats for carrying on construction work, $600,000.

Mr. HAZEN: This is $150,000 less than was asked for last year. In view of existing conditions we have cut down our construction work to the lowest point consistent with the maintenance of this service efficiently. Last year our expenditure was $325,068. This vote is asked for to provide new aids to navigation, lighthouses, beacons, buoys, etc., including apparatus and machinery, as well as large repairs to existing buildings, the replacing of obsolete buildings and equipment for the safety of vessels of deep draught, the chartering of any boats temporarily necessary to carry on the work, the regulation of traffic in the Detroit river and the administration of the lighthouse depot at Prescott. The principal works proposed, all of which have been recommended by the Lighthouse Board, are as follows:

NOVA SCOTIA.

Louisburg, improved fog alarm apparatus	$ 9,000
Cape Roseway, improved apparatus	10,000
Cape Fourchu, changing steam fog alarm to oil	6,000
Seal Island, changing steam fog alarm to oil	5,000
Buoys and beacons	10,000
General improvements to lights and fog alarms	10,000
Minor and unforeseen works and repairs	15,000
	$65,000

PRINCE EDWARD ISLAND.

Charlottetown, repairs to marine wharf	$20,000
Buoys and beacons	2,000
General improvements to lights and fog alarms	5,000
Minor and unforeseen works and repairs	3,000
East Point, changing steam fog alarm to oil	5,000
	$35,000

New Brunswick.

Cape Enrage, changing steam fog alarm to oil	$ 5,000
Indian Point, New range	2,000
St. John Depot, Deepening of berths, etc.	25,000
Buoys and beacons	15,000
General improvements to lights and fog alarms	8,000
Minor and unforeseen works and repairs	20,000
	$75,000

Quebec.

Little Metis, Fog alarm	$ 6,000
Heath Point, Dwelling	4,000
Upper Traverse, Repairs to pier	8,000
Buoys and beacons	10,000
General improvements to lights and fog alarms	10,000
Quebec shops and yard	20,000
Minor and unforeseen works and repairs	15,000
Anticosti, erection, etc.	32,000
	$105,000

The item with reference to Anticosti Island is for the erection of two lights on

the north side of the island. These are being erected there after consultation with the authorities of the British Admiralty, as it is thought that the northern channel, in view of war conditions, may be used to a much greater extent than in the past, and it is desirable to have the channel better lighted.

Montreal District.

Bellerive park, Range lights	$ 2,000
Beaurepaire, Range lights	3,000
Buoys and beacons	5,000
General improvements to lights and fog alarms	5,000
Plant, including upkeep of boats and scows	10,000
Unforeseen and minor works and repairs	10,000
	$35,000

Ontario.

Point Abino, New Lighthouse, fog alarm dwelling	$45,000
Quebec Harbour, Michipicoten Island, Improved ranges	5,000
General improvements to lights and fog alarms	15,000
Buoys and beacons	10,000
Unforeseen minor works and repairs	25,000
	$100,000

British Columbia.

Triple Island, Concrete lighthouse, fog alarm and dwelling	$30,000
Ogden Point, Victoria, Lighted beacon	2,000
Buoys and beacons	15,000
General improvements to lights and fog alarms	18,000
Minor and unforeseen works and repairs	10,000
	$75,000

While there is use for a lighthouse at Triple Island at the entrance to Prince Rupert harbour, and while it is work that will have to be undertaken in the near future, it may not be necessary to proceed with it this year. We have found, in connection with lighthouse work in British Columbia, very great difficulty in getting tenders and a good deal of trouble in getting men experienced in this class of work owing to causes created by the war. These are the principal items of work that will be undertaken this year.

Mr. SINCLAIR: Does it include aids to navigation in Hudson Bay?

Mr. HAZEN: We are not contemplating any additional expenditures in Hudson Bay this year.

Mr. SINCLAIR: Have you already some lighthouses in Hudson Bay?

Mr. HAZEN: Yes, buoys, lighthouses and beacons. If conditions were normal we would do more, but there is very great difficulty in getting ships to carry stuff or to work there.

Mr. SINCLAIR: Are there any lights in operation?

Mr. HAZEN: They are either in operation or they are ready to be put in operation the moment the necessity arises.

Mr. SINCLAIR: What has the minister done in the way of lighting Hudson Bay?

Mr. HAZEN: Down through the straits there have been placed ten or twelve lights —I think ten lights—and beacons.

Mr. OLIVER: Is there any light or beacon on Mansfield Island?

Mr. HAZEN: Yes.

Mr. MURPHY: Is the wireless station there under my hon. friend's department?

Mr. HAZEN: It is under the department of the Naval Service.

Mr. A. W. CHISHOLM: What amount was spent last year in Hudson Bay?

Mr. HAZEN: My deputy will look it up in the Auditor General's report.

Mr. MARCIL: Would the minister explain what it is proposed to do at Anticosti Island? I visited Anticosti some years ago and met Mr. Menier's representative, and he told me that they had negotiated with the department to take over some lights which Mr. Menier had erected. I understand it is proposed to render the north channel navigable.

Mr. HAZEN: Yes. The negotiations with Mr. Menier took place before I was in the department, but I have heard the matter discussed in the department and I understand the department took over all the lights on the island with the exception of one which they decided not to take over because they thought that Mr. Menier had erected that simply for his own personal benefit, and it was not in general use as an aid to navigation. The lights for which provision is being made on the north side of the island are to be erected so that ships can pass through the northern channel with safety. This is done at the suggestion of the authorities of the Admiralty, who believe that under existing conditions and because of the submarine danger, it may be necessary to use that north channel to an extent and in a way that it was never used before, and these lights are being established there as a guide to mariners.

Mr. OLIVER: Are there any lights indicating Churchill harbour on Hudson Bay?

Mr. HAZEN: I do not think so.

Mr. OLIVER: I suppose there are at Nelson harbour?

Mr. HAZEN: Yes, at Nelson. We sent a large number of buoys to Nelson two years ago.

Mr. NESBITT: Have they floated away?

Mr. HAZEN: No, they have been looked after and taken care of. They are taken up in the fall and put down again when navigation opens.

Mr. SINCLAIR: Is it the policy of the department to stop expenditure in Hudson Bay for the present or until after the war?

Mr. HAZEN: That is a matter that has not been decided. We will be guided by circumstances. With the great scarcity of vessels which was spoken of this afternoon it is very doubtful whether many vessels will go into Hudson Bay this year. But we have the straits fairly well lighted now. That is an enormous improvement and adds very much to the safety of navigation. We are prepared to do what is necessary if it is in the public interest that it should be done.

Mr. MURPHY: I observe that this item covers submarine signals.

Mr. HAZEN: That has nothing to do with submarines. There is a bell rung in foggy weather and it is heard on ships that are equipped with a corresponding apparatus.

Mr. SINCLAIR: How many of these submarine bells are there, and where?

Mr. HAZEN: At Fame Point, Louisburg, Point Lepreau, Halifax and Lorneville, on the coast of St. John county.

Lighthouse and Coast Service—Signal service, $60,000.

Mr. HAZEN: This service has been in existence for a good many years and was established to maintain communication between ship and shore by means of flag signals. It extends from St. John and Halifax to Cape Race and Belle Isle, and up the gulf and river St. Lawrence and the lakes as far as Sault Ste. Marie. The agents at the different points receive small salaries, some of them $200 and some more. These stations report the movements of vessels to Montreal, Quebec, Sydney, Halifax and St. John. They report water conditions daily to Montreal, Quebec, Halifax or St. John. Montreal, Quebec and St. John publish daily bulletins giving ice and weather conditions, and movements of vessels. Montreal publishes daily the depth of water in the various parts of the ship channel. The signal service offices at Montreal, Quebec and St. John are open day and night to furnish to the public information regarding shipping matters. The telegraph system of the Department of Public Works on the north shore of the St. Lawrence reports the movements of vessels engaged in the coasting trade, to the signal service at Quebec. The collectors of customs on the St. Lawrence and on the Atlantic coast and the bay of Fundy report the arrival and departure of vessels engaged in overseas traffic to Lloyd's agent at Quebec or St. John.

Mr. SINCLAIR: How does the information of the movement of vessels reach the public?

Mr. HAZEN: Before the war all of that information was published in the newspapers. Publication has ceased since the beginning of the war.

Mr. SINCLAIR: Has my hon. friend considered the importance to owners of getting this information about their vessels? The owner of a vessel whose head office is in Montreal may have a ship which passes Cape Race on the way to England, or inward bound. It would be very important for him to know that the ship had passed Cape Race at a given hour. The information might reach the Marine Department but not the owner if he did not happen to live in Montreal.

Mr. HAZEN: The agent or owner of the vessel is communicated with by the shipping office; that information is furnished to him by the signal officer at Montreal or whatever port it may be.

Mr. SINCLAIR: I suppose it would be an advantage to have the signal officer at Cape Race wire at once to the owner.

Mr. HAZEN: The way it practically works out is that the man, say at Cape Race, wires to the port to which he reports the names of all vessels that have passed inward or outward. He does that twice a day.

Mr. SINCLAIR: I know, as a matter of fact, that the agents at the stations the minister has mentioned do not report to owners of vessels when they pass these points; at least I know of cases where they have not done so. I also know of cases where the owners

9 p.m.

have made private arrangements with the signal officers to get the information when the vessels pass. This is a very important and useful service, and its administration might be greatly improved if the minister would investigate it and see that regulations are made that would give this information to the owners of the vessels, and, in ordinary times, to the public.

Lighthouse and Coast Service—Administration of pilotage and maintenance and repairs to steamer Eureka, $56,300.

Mr. HAZEN: This is the expenditure in connection with pilotage on the St. Lawrence and the maintenance of the Eureka, which is kept at Father Point where pilots board and leave vessels. During a portion of the time they live on the steamboat. The vote is the same as last year, and we spent last year about $42,000.

Mr. SINCLAIR: Is the whole of this expended in the St. Lawrence?

Mr. HAZEN: Yes.

Mr. MARCIL: Are the pilots still taken on and off at Father Point?

Mr. HAZEN: Yes.

Mr. MARCIL: Was any effect given to the recommendations, made some time ago after the loss of a steamer there, with regard to the taking on and off of pilots?

Mr. HAZEN: Every recommendation made by the Pilotage Commission which was appointed some years ago was carried out, with the exception of that with regard to the pilots. In order to carry out that recommendation we have to have two boats instead of one, but so far we have not provided an additional boat.

Maintenance and repairs to wharves, $10,000.

Mr. HAZEN: After wharves have been constructed by the Public Works Department they automatically come under the control of the Department of Marine and Fisheries so far as ordinary management and the collection of revenue are concerned. The Governor in Council, on the recommendation of the Minister of Marine and Fisheries, then appoints a wharfinger, whose business it is to collect the tolls and look after the wharves. Repairs amounting to $50 or over are attended to by the Department of Public Works; those under $50 are made by the Department of Marine and Fisheries. This sum of $10,000 is for that purpose. Last year we expended only $5,460 and in 1915-16 about $8,000.

Mr. SINCLAIR: Whose duty is it to look after the repairs to these wharves in the province of Nova Scotia?

Mr. HAZEN: If the wharf is out of repair, it is the duty of the wharfinger to report to the department. If the repairs required are of an extensive character, his report is forwarded to the Public Works officer in the province who is instructed to report to the Chief Engineer at Ottawa. This is a very old system. I rather think that the Department of Marine and Fisheries should have larger control of expenditures in connection with repairs, as it otherwise has complete control of the wharves.

Mr. SINCLAIR: How are the wharfingers paid?

Mr. HAZEN: Like the harbour masters they are allowed a certain percentage of the collections up to a certain amount. In some cases the collections are a negative quantity because some of the wharves used by the fishermen are exempt from tolls.

Mr. A. W. CHISHOLM: Is it the custom of the department to appoint a wharfinger when a wharf is handed over to it by the Public Works Department?

Mr. HAZEN: That is the custom, but the remuneration is so small that in some cases it is impossible to get a man in the neighbourhood who will act as wharfinger.

Mr. A. W. CHISHOLM: Last year a small expenditure was made at Margaree Harbour upon a pier which was constructed primarily for the purpose of directing the current of the Margaree river. Shortly afterward, the fishermen commenced to use the pier for the landing of their fish. The department subsequently appointed a wharfinger who proceeded to collect tolls from the fishermen—the first time that had been done in the history of the place. It is absurd that a wharfinger should be employed on that pier, and I would suggest that the minister cancel the appointment forthwith.

Mr. HAZEN: We will look into the matter.

Mr. SINCLAIR: What is the gross amount received by way of revenue from the wharves?

Mr. HAZEN: In 1915-16, $56,261, an increase of $23,037 over the previous year. $36,908 of that amount was collected in New Brunswick, of which $34,000 was collected at the city of St. John from the large wharves that were built by the Public Works Department a short time ago.

Mr. SINCLAIR: How much of that money was used in paying the wharfingers?

Mr. HAZEN: I think this was the net amount received.

Mr. SINCLAIR: What percentage was paid in St. John to the wharfingers?

Mr. HAZEN: There are three wharves at St. John. When I came into office there was one wharf, of which Mr. Elkin is the wharfinger. He receives $1,500 a year. When the second wharf was finished, Mr Cowan, who, I am sorry to say, died the other day, was appointed wharfinger, and he received a similar salary. When the third wharf was completed, I did not appoint a wharfinger; I made an arrangement by which the work would be done through the office of the Department of Marine and Fisheries in the city of St. John. I thought that was a better arrangement. As a matter of fact, we are at present considering the advisability of doing away altogether with these wharfingers and placing the responsibility of collecting the rents in the hands of the agent of the Marine and Fisheries Department. I have not yet come to a conclusion, but I have asked my officials for a report as to the advisability of taking that course.

Mr. LEMIEUX: I feel I should appeal to my hon. friend, the Minister of Marine and Fisheries, to have repairs done at Percé wharf in the county of Gaspé.

Mr. HAZEN: Would the repairs cost more than $50?

Mr. LEMIEUX: Yes.

Mr. HAZEN: Then my hon. friend should make his appeal to the Minister of Public Works.

Mr. LEMIEUX: As that minister is not in the House and as he is not very often in the House, I appeal to a gentleman who honours us with his presence. The wharf having been completed, has been transferred to the Department of Marine and Fisheries, and therefore, diplomatically speaking, the recommendation for the repairs should come through the Marine Department. This wharf was built some years ago when I had the honour to represent the county of Gaspé. Percé is the shire town for the whole district, and there is quite a steamer service between Quebec, Montreal, and the Baie des Chaleurs, as well as between Campbellton and Dalhousie. The Percé wharf is the most important in that district, and I am sure it pays its way, but during the last three or four years it has been completely abandoned; no repairs have been made to it, and, as a result—and I saw the wharf last summer—it has been cut in two by the seas. It is a great pity that a wharf which has cost in the neighbourhood of fifty or sixty thousand dollars should become a ruin owing to the indifference of the Department of Public Works. I would advise my hon. friend to represent to the Minister of Public Works that this wharf should be properly repaired, because the public are now obliged to travel in barges a mile or two out from the harbour to get on board the steamer.

Mr. HAZEN: I shall be glad to make representations to the Minister of Public Works.

Mr. MARCIL: I should like to make a similar request on behalf of the wharf at Gascons which is not very far distant from Percé. This wharf has broken in two and it has been utterly abandoned.

Mr. HAZEN: There is a question on the Order Paper about it

Mr. MARCIL: Yes. Gascons is an important point. The people there have to go about twenty miles to Port Daniel where there is another wharf, and that is a great inconvenience. The same remark applies to the wharf at St. Charles de Caplan and the wharf at Bonaventure. General repairs to those wharves are required. The policy, during the war, to put the case mildly, seems to have been not to spend anything in that district, and very little has been done, the result being that Government property is becoming dilapidated. I should like to ask the minister about the wharf at Miguasha Point off Dalhousie which was built by the Department of Public Works and which after remaining under the control of that department for some time, was transferred to the Department of Marine and Fisheries. After the appointment of a wharfinger, an attempt was made to collect tolls. The wharf is used largely by market gardeners who go to Dalhousie and who are unwilling to pay the tolls, and I understand that the ferry boat refuses to land at the wharf. Has the department abandoned the collection of tolls, or will it insist on collecting them during the present season.

Mr. HAZEN: My experience in regard to these small wharves is that the Government gets such a very small revenue out of them and it is so objectionable to the people to pay these tolls that the country would not be any worse off if we abolished the tolls altogether. You need a responsible man

in charge of each wharf to see that it is properly conducted, and it seems reasonable that the country should pay a man for that purpose. I know that there is nothing that country people taking produce to market hate so much as to have to pay a small toll on their produce going over a wharf. I will make inquiries in regard to the wharf at Miguasha Point.

Mr. MARCIL: What arrangement is being made with regard to the collection of tolls at Baie des Chaleurs wharves Formerly the wharfingers were paid fifty per cent of the tolls collected, or, in round figures, about $50 a year. I understand that a few years ago an arrangement was made that the boat proprietor paid a round sum to the department and received permission to use free of charge all the wharves on the coast. What arrangements are to be made for the present season? We expect to have a boat this year which comes from St. John. The boat we had last year was very unsatisfactory, it was a very small river boat. The Minister of Trade and Commerce explained to me that he could not find anything better. It is a pure waste of money to put a boat of that kind on the Baie des Chaleurs; there are no cabins on it, and a passenger who wishes to take the whole trip, must have a cabin. Owing to lack of cabins, this boat goes only half the distance and returns. Last year it started its services on the 5th of August, and the whole season it carried only 150 passengers and about 200 tons of freight.

Mr. HAZEN: Even if there were a good boat on that service, is it not a fact that a great many people would travel by train? There is a train service each way each day, and I think the tendency of the people —I have been down there sometimes—is to patronize the railway because the trains run both winter and summer. Even a good boat would find difficulty in attracting enough patronage to make it a paying proposition. I will look into the matter of an arrangement for using the wharf. I know there has been such an arrangement as my hon. friend refers to.

Mr. LOGGIE: How many wharves are there under the department in Chatham, and what was the revenue last year?

Mr. HAZEN: I have a list here of the wharves that have paid revenue, but there is no mention of a wharf at Chatham.

Mr. LOGGIE: There is one wharf there under the department. There are three public wharves, but two of them are under the jurisdiction of the Railway Department. The other wharf, which is under my hon. friend's department, is in the rear of the Customs House and post office, and the storm signals and buoys are located on it each winter. I see no reason why there should not be some revenue from that wharf.

Mr. HAZEN: If the wharf was used simply for putting up buoys and chains and that sort of thing, there would be no revenue from it.

Mr. LOGGIE: It is used for general purposes.

Mr. HAZEN: I never heard of it before, and I am glad my hon. friend has drawn my attention to the matter. I will have it looked into.

Mr. McKENZIE: There are quite a number of wharves in the county of Victoria, and some of them at least are paying wharfage. There is a wharf at Baddeck, and another at Ferry Landing or Little Narrows, as it is sometimes called.

Mr. HAZEN: The wharf at Baddock pays something.

Mr. McKENZIE: Are there any wharves at South Bay, North Bay and White Point?

Mr. HAZEN: Baddeck is the only one that is mentioned here, but if my hon. friend would send me a list I could get him the information.

Mr. McKENZIE: Most of these wharves are in fishing villages. I understand that some local men tried to collect wharfage and tolls from the fishermen, and it caused a great deal of trouble. I think I heard the minister say this evening that where wharves are used for the accommodation of fishermen no tolls are charged. I would suggest to the minister that instead of appointing a wharfinger to look after these wharves, it would be better to leave it to some one who is in business near the wharf and has occasion to use it practically every day. Wharfingers have very often no occasion to go to the wharf unless something comes for them by boat, but there is always some one in business near these wharves. I have particularly in mind a place called Washabuck, where there has been a wharf for about twelve years. A gentleman named McNeil is in business at the head of the wharf and has occasion to use it practically every day. He takes as much pride in it as if it were his own, and certainly keeps it in good

shape. I do not know whether anything is collected from this wharf, but it is certainly a first class one. I am sure that in all the villages along the coast the minister will find men of this sort who will take much better care of the wharf than wharfingers, who have no interest in the wharf except collecting a little toll and receiving any goods that come for themselves. These wharves were built in the county of Victoria for the accommodation of the different villages along the coast, and with no intention of collecting wharfage or tolls of any kind. A fishing wharf serves two purposes as a rule: it acts as a breakwater and shelter for the fishing boats, and serves also the general purposes of a wharf. They were put up to assist the fishermen. If the minister finds that tolls are being collected at any of these wharves, at White Point or any other place in the county of Victoria, I would suggest that he cut it out at once, because it is a great nuisance to the fishermen, and the revenue is of no consequence to the department. There is a good deal of dissatisfaction at Baddeck by reason of the collection of wharfage. There should not be a wharfage charge there at all. Right across the water from Baddeck there is a wharf at Iona, which I suppose is under the control of my hon. friend's department, and which is used in connection with the Intercolonial. The Railway Department has laid rails down to the wharf, and cars from the Intercolonial are shunted down, and the freight for Victoria county is carried by the Government railway to this wharf. The goods are put upon a fairly large ferry boat running between Iona and Baddeck. The Government, having taken the freight from the wharf, must land it somewhere, and I submit that the same rule should apply at Baddeck as applies at Iona. Although the railway is not in my hon. friend's department, it is all under the one Government.

If the man at Iona does not pay wharfage when getting goods over the Intercolonial, why should the man at Baddeck be called upon to pay? When I had more to do with the management of these affairs, there were no toll charges there. The people got their goods off the train and carried them away. We built a first-class warehouse there to shelter goods, and there was a man there willing to look after it because of some little advantages he got in landing his own goods and in the use of the warehouse. The system that was in use then should be resumed. The amount to be collected under the present plan is small, but it is annoying. The thing should be abandoned.

Mr. TURGEON: In corroboration of what my hon. friend (Mr. McKenzie) has said, I may remind the minister that in the session of 1908 or 1909 the present Mr. Justice Brodeur, the Minister of Marine and Fisheries, made the declaration that tolls should not be collected from the fishermen for the use of the wharves along our coasts. Of course, if a fisherman used his boat for business purposes for part of the season, toll would be collected. That has been the practice in Gloucester county, as the Minister of Marine knows very well.

Mr. HAZEN: Fishermen are not charged when using these wharves in connection with their work as fishermen.

Mr. McKENZIE: What does the minister say with regard to Baddeck wharf?

Mr. HAZEN: The law provides that in these cases a wharfinger must be appointed and fees collected, and until the law is changed I should not be justified in saying that tolls shall not be collected at Baddeck any more than in saying that they should not be collected at St. John, at which point they amount to over $33,000 a year. I notice that Baddeck pays something over $200, and is the third largest wharf in Nova Scotia, the largest being Digby, which, I think, pays about $1,700, and the second-largest Kingsport, about $600.

I agree that these wharves were built in most cases simply for the benefit of the people who had access to them, but I think Parliament thought it only fair that those who used the wharves should pay something toward keeping them in repair. Of course, in some cases, the amount collected is trifling, so trifling as to be hardly worth the trouble of collection. But if the principle laid down by the hon. gentleman is to be carried into effect, the question of where the line is to be drawn would have to be carefully considered, in order that the country might not be imposed upon and its proper revenues left uncollected.

Mr. McKENZIE: I agree that where a Government wharf is in competition with other wharves, or in the case of any Government wharf in a large commercial centre, such as St. John, Halifax or Digby, wharfage should be collected. But when goods come over the Government railway to Baddeck, freight is paid on them to that point. The Government has a wharf in connection with the road at Baddeck, just as

it has a wharf in connection with the road at Iona. The Government must have a place to deliver goods, and for Baddeck the wharf is the place where they are delivered. It is a part of the system which must be used by the railway in delivering its freight

Mr. HAZEN: But would not this be a similar case: A Montreal merchant makes a contract for goods in Liverpool, to be delivered on the wharf at Montreal. Should the people from whom the goods are bought pay the wharfage charges, or would the hon. gentleman say that no wharfage charge should be made by the owners of the wharf, the Harbour Commissioners of Montreal?

Mr. McKENZIE: But if the Government railway undertook to carry the goods from Montreal to Baddeck and to deliver them at Baddeck, they, having a wharf of their own there, should not charge wharfage to the owner of the goods. In the case to which the hon. minister refers, if the steamship company whose vessel carries the goods from Liverpool to Montreal have a wharf of their own in connection with their steamship line, then, having charged a freight rate to cover everything, they should not charge wharfage for delivery on their own wharf.

The one charge is supposed to cover everything because when the goods are delivered on the wharf at Iona, there is no wharfage at all, but it is a wharf just as much as it is a wharf at Baddeck. The Railway Department recognize the fact and include the charge for wharfage there because it is necessary to the delivery of goods that they shall pass over the wharf.

Mr. HAZEN: It all depends on the contract they make with the people as to what they shall charge.

Mr. McKENZIE: I am only talking about a matter of fair dealing as between the Intercolonial railway and a citizen. That is perhaps the only case of the kind along the Intercolonial. I do not know of any other case where they take goods which have to go over the water before they are delivered. Where there is a Government wharf at which goods are delivered I always contended when the late Liberal Government was in power—and I almost succeeded in convincing the minister—they should not charge because it is part of their own system.

To provide for breaking ice in Thunder Bay and Lake Superior and other points deemed advisable for the good of navigation, $40,000.

Mr. SINCLAIR: How many icebreakers have you in Thunder Bay?

Mr. HAZEN: We have no icebreakers of our own in Thunder Bay. We have to make a contract to have the work done.

Mr. SINCLAIR: How much was spent last year?

Mr. HAZEN: Our contract is for $30,000. It is with the Canadian Towing and Wrecking Company with which Mr. Whelan is connected. I am not quite sure what we spent but $30,000 is the amount we have to pay every year.

Mr. SINCLAIR: Does the contract go on from year to year?

Mr. HAZEN: The contract is for three years from December, 1914, and expires in December of this year.

Mr. SINCLAIR: Will it be thrown open to the public?

Mr. HAZEN: Yes, we always put it up to competition and give it to the lowest tenderer.

Mr. McKENZIE: How could you get tenders for icebreaking when some years you have no ice at all. Some years you have lots of ice and other years you have thin ice.

Mr. HAZEN: Sometimes we have very thin ice. We have to take our chances.

Repairs to maritime road, $1,000.

Mr. HAZEN: That item was passed the other night.

Mr. McKENZIE: This is a road to a lighthouse?

Mr. HAZEN: It is a maritime road leading to a lighthouse in an out-of-the-way place. There is a long stretch of road with nobody living on it, it carries the Government telephone line and it is for the purpose of keeping it in repair that this $1,000 is given.

Mr. LOGGIE: Might I mention a road in my county that is in a very bad condition. It is the road between the lighthouse and the village of Escuminac, some four or five miles in length.

Mr. HAZEN: Is there anyone living on the road?

Mr. LOGGIE: No. During most of the season there is no person at Escuminac Point except the light-keeper. During the summer there are two fishermen and there are two lobster factories operated there. The road is practically impassable.

Mr. HAZEN: I suppose the lobster fishermen go there by boats?

Mr. LOGGIE: They do in some cases, but they would like also to use this road which is practically impassable.

Mr. HAZEN: Could you get over it in an automobile?

Mr. LOGGIE: You might, but there would be danger of getting stuck on the road. Some money was spent on this road by the department five or six years ago.

Mr. HAZEN: That seems to establish a precedent.

Mr. LOGGIE: Yes.

Mr. HAZEN: I will have the matter looked into. If the road is necessary for the lighthouse, and not necessary for other purposes, it is only fair that we should help to maintain it. But, if the road is used by the people who are interested in running the lobster canneries and the fishermen I do not say it would be unfair that the department should make some grant towards it but it would be only fair that they should at least contribute towards the expense as well.

Mr. LOGGIE: I think that was done before.

Mr. McKENZIE: If this road was built for the lighthouse it would be the duty of the minister to keep it up.

Mr. HAZEN: I fancy you will find that the road was there before the lighthouse was built.

Mr. MARCIL: I have a similar case at Pointe Maquereaux. The municipal council of Gascon applied for a grant to put in order the road leading to the lighthouse. The department sent an inspector down, he reported against the application and the department refused to make any grant. The last news I had was that the road was practically impassible. The road leads from the main Gaspé road to the Pointe Macquereaux light. A small grant of $200 or $300 would put the road in order.

Mr. HAZEN: I will make a note of it.

Amount required to pay pension of $300 each per annum to retired pilots, $8,700.

Mr. GAUVREAU: Are these the same pensioners that we had last year?

Mr. HAZEN: Yes, with the exception that two have died since last year, Charles Brown and Pierre Pipon. The arrangement under which this amount is paid is familiar to members of the late Administration as it was made during their tenure of office. It became necessary to decrease the number of pilots in the Quebec district and it was agreed to give these men, during their lifetime, $300 a year. Under that agreement it is necessary to vote this amount.

Mr. SINCLAIR: Will the minister explain how it is that if two have died there are still the same number as last year?

Mr. HAZEN: There must be two less.

Mr. SINCLAIR: I find that there are 29 in the Auditor General's Report for last year and 29 in this list.

Mr. HAZEN: How do you account for that?

Mr. McKENZIE: I suppose two others came on.

Mr. HAZEN: But we are asking for $600 less.

Mr. SINCLAIR: The amounts paid are not always the same because according to the Auditor General's Report some get $300 and some less than $300.

Mr. HAZEN: I understood $300. I gave the explanation that two had died and I understood that that explained the difference.

Mr. SINCLAIR: My hon. friend explained last year that when these pilots died we would get rid of this expenditure but I find two names on the list this year that were not on last year.

Mr. HAZEN: I think that some of the names were omitted from the main estimates last year, and were inserted in the supplementary estimates. That would account for the difference.

Mr. SINCLAIR: My hon. friend can see that it is difficult for us coming from other parts of Maritime Canada to defend pensions given to pilots on the St. Lawrence when they are not given to pilots in other places who are just as deserving. I am not complaining about the payment of pensions to pilots on the St. Lawrence if they are entitled to them, but I have in my mind men on the coast of Nova Scotia, in my county, at places like Canso, Isaac's Harbour and the St. Mary river, who have for many years done the pilotage work of that stormy coast, who have grown old in the service, who have always been faithful, and, so far as I can see, are as well entitled

to some retiring allowance as those on the St. Lawrence river. If there is an agreement by which we are liable to pay these pensions to these pilots, of course we must carry it out.

Mr. HAZEN: That is the unfortunate part of it.

Mr. SINCLAIR: But if my hon. friend is going to add to the number year by year I must come in with certain pilots in whom I am interested, and ask to have them put on the list too.

Mr. HAZEN: I have some of my own. I think the criticism of my hon. friend is perfectly fair. It seems strange and incongruous, but this is not my infant at all; I have inherited this item as any future Minister of Marine and Fisheries will have to do, and I have no doubt that when the arrangement was made it commended itself to those in charge of the Marine Department as a fair and proper arrangement. They were familiar with the facts; an agreement was made, and there is nothing for us to do but to act in good faith. We cannot repudiate an agreement made honestly with the pilots by the Government.

Mr. SINCLAIR: What worries me is the two men who rose up and took the places of the two dead men.

Mr. HAZEN: We are asking for $600 less than last year. That means that there are two pilots less, at $300 each.

Lighthouse and Coast Service—To provide for telephones at different points throughout the Dominion in connection with aids to navigation, $500.

Mr. MACDONALD: That covers the item I spoke of earlier in regard to telephones?

Mr. HAZEN: No, I do not think it does.

Mr. MACDONALD: In this case it does, because the lighthouse and the life-saving station are alongside of each other. If there ever was a case where a lighthouse required to be connected by telephone it is this case. There are two lighthouses on this island. A cable passes close to the island, and the question is if it could not be utilized to give telephone communication to those two islands. In winter the lane of communication between the mainland and Prince Edward Island passes by these islands, the steamers go past there all the time. An ice shove or anything of that kind might occur and a steamer might be ashore there for hours and be destroyed by the ice without there being any means of communicating with the mainland and obtaining assistance.

Mr. HAZEN: There have been reports upon this, but all the papers are in the other department whose Estimates will be taken up later on. There seems to be little necessity for this item in my Estimates. For years a small amount has been voted each year to enable the more important light stations to be brought into telephone communication with the nearest settlement where this appears to be desirable in the public interest. The telephone enables meteorological and other observations to be sent in promptly, and is of great use in case of shipwreck. The expenditure under this head in 1915-16 was $1.50, and last year it was nothing, so I do not see that there can be any very pressing need for these telephone lines. If I do not find any need for it this year, I will not bring the item in again. I think it would take much more than $500 to carry out the suggestion of my hon. friend in reference to Pictou island.

Mr. MACDONALD: Would the minister say whether it is proposed to spend any money for the protection of the harbour lights in Pictou?

Mr. HAZEN: The matter has not been brought to my attention.

Mr. MACDONALD: I understand that some survey or observation was made last autumn.

Mr. HAZEN: I do not hesitate to say that if any expenditure is necessary in order to maintain the light, it will be made; but no report has been made to me on the subject.

Mr. MACDONALD: I think it was suggested that a large expenditure should be made which was not necessary.

Mr. HAZEN: No expenditure, so far as I know, has been recommended by the Lighthouse Board.

Mr. A. W. CHISHOLM: I wish to bring up the case of Margaree island, which is distant three miles from the shore. There is a lighthouse on it and a fishing station, and I think that it would come within the purview of this policy. I should like to see a telephone station there. There is a line of telephone along the coast of Inverness, and this is a very important station. The lighthouse keeper has great difficulty in landing during several months. I submit to the minister that the establishment of a telephone station there would be a great convenience to the fishermen.

Mr. LOGGIE: The harbour of Kouchibouguac in my province is a port of call during the whole season for fishing and trading vessels, but there is no communication by telephone or telegraph. If the present system could be extended some eight or ten miles along the shore, it would be a great convenience to that section of the country.

Mr. HAZEN: Whom does the line belong to?

Mr. LOGGIE: It is operated by the Government.

Mr. McKENZIE: Is it the intention of the department to take over the pilot system in the Maritime Provinces?

Mr. HAZEN: The system under which the pilotage service on the St. Lawrence has been taken over and placed under the authority of the minister has worked admirably, and there is a good deal to be said in favour of applying the same system at Halifax, St. John, Sydney, on the Pacific coast, and at other places where there are pilot commissions. I should like to have the matter discussed some time and obtain the views of gentlemen who are interested in it. Of course, opposition to the plan will come from certain quarters. I am disposed to think, however, without expressing a matured opinion, that a change along the lines of the system prevailing on the St. Lawrence would be a benefit to the shipping interests. I have had the matter in mind for several years, but since the outbreak of war it has been hard to get time to deal with questions of that kind. I hope some time to formulate a plan and submit it to Parliament.

Mr. McKENZIE: In the Auditor General's Report, the minister will find mention of two wharves, one at Grand Narrows, Victoria county, and the other at Grand Narrows, Cape Breton county. Victoria county is on the west side of Grand Narrows and Cape Breton is on the east side. These two wharves are utilized in receiving and discharging freight from the Intercolonial railway. Nothing is charged on either of them and, under the old order of things, the same applied at Baddeck wharf. Since the Conservatives came in, however, they have charged over $100 at that wharf. I think it should be placed in the same category with the Grand Narrows wharf, at which no wharfage is collected.

[Mr. Chisholm.]

New vessel to replace the Maisonneuve, $12,000.

Mr. HAZEN: This is a vessel of composite construction, being built at the Government yards at Sorel to take the place of a boat of the same name which has been condemned by the inspectors as unserviceable. The cost will be $30,000. We spent last year $17,861, and this vote is for the purpose of completing the vessel, which, we think, will be in commission this month.

Mr. SINCLAIR: Is she to be used on the St. Lawrence?

Mr. HAZEN: The Maisonneuve will be used on the Ottawa river for the lighthouse service, doing the work formerly carried on by the old boat.

Amount required for rebuilding of Scout, $12,000.

Mr. HAZEN: The Scout was built at Cardinal, Ontario, seventeen years ago. It is a wooden vessel and was employed in the lighthouse and buoy service in the upper St. Lawrence river. Quite extensive repairs were found to be necessary to the hull. We thought at first that we should have to have a new boat, but careful inspection demonstrated the fact that the boat could be repaired and made serviceable for a good many years yet. The repairs were made at Kingston.

Mr. LEMIEUX: Has the hon. gentleman any further details concerning the settlement of the strike at the Sorel shipyard?

Mr. HAZEN: The strike is settled. The men are all at work to-day, and peace and harmony prevail.

Mr. LEMIEUX: What were the conditions of the settlement?

Mr. HAZEN: We increased the pay in some cases where we thought increases were deserved, and some of the men who, we thought, acted very improperly, were asked to stand aside. From what I can judge by the representations made to me, the great bulk of the men in the yard feel that there was no justification for the extreme measures to which the men resorted, because the department was considering the whole question and was prepared to deal fairly and properly with it. We had two officials there and they said: We are prepared to look into the matter and to make a report, and in consequence of the changed condition of affairs, in regard to the wages to be paid, we are authorized by the minister to say that the department will pay them. This was not satisfactory

to all the men and some of them shut down the machinery. When that occurred, I gave orders to close the works because I did not think we should be taken by the throat in that manner, but I learned the next day from many of the men that they deeply regretted what had taken place and that they were willing to return again and were quite sure that the department would give them every consideration.

Mr. SINCLAIR: Were any increases given?

Mr. HAZEN: Increases were given where they were warranted.

Mr. SINCLAIR: Did you give the men all that they asked for?

Mr. HAZEN: No.

Mr. LEMIEUX: Has any decision been arrived at by the department in regard to the land where the department is operating there?

Mr. HAZEN: You mean the McCarthy estate?

Mr. LEMIEUX: Yes. Has there been any settlement made with the estate? Some years ago a lease was entered into with the McCarthy estate; that lease has expired, and I believe the department is still a tenant although there is no renewal of lease with the estate. I understand that the Government intend to purchase the land. If a settlement has been arrived at, what amount has been fixed, and what terms generally have been made?

Mr. HAZEN: We were not able to come to an agreement with the McCarthy estate. We felt that in view of the lease we had entered into, the amount they wished for the property was entirely in excess of its value; we could not agree to pay them the amount they wanted and they could not agree to take the amount we were willing to pay them, and the result was that we have undertaken to expropriate the property through the Exchequer Court.

Mr. LEMIEUX: What is the margin of difference between the offer of the Government and the amount required by the estate?

Mr. HAZEN: My recollection is that the margin is very large.

Mr. LEMIEUX: Are the expropriation proceedings going on?

Mr. HAZEN: The matter is in the hands of the Justice Department, and I presume proceedings will be taken in due course.

Mr. LEMIEUX: Has the case been entered?

Mr. HAZEN: I do not know. I have not had the matter before me for some time, but my recollection is that we instructed the Department of Justice to take proceedings in the matter of expropriation; I think the papers are filed which would vest us with the control of the property, and I think the Department of Justice have taken proceedings to have the Exchequer Court place a value on it.

Mr. LEMIEUX: I hold no brief for the estate except that I happen to know casually the little difference of opinion there is between the department and the estate. One of the McCarthy's was a class-mate of mine, and that is how I happen to know of the matter. I believe the Government has taken the proper course in referring the matter to the Exchequer Court because the department must come to terms some way or another on account of the fact that you occupy the grounds which belong to the estate and which are very valuable, in fact, the department could not do otherwise than to have the shipyards there. The last time I had occasion to look into this matter, the department refused to agree to the price, but were still occupying the property, and the estate drew rent from the department.

Mr. HAZEN: Under the lease they were entitled to $1,200 a year.

Mr. LEMIEUX: Yes, but when the lease expired they refused to renew it, and for some time there was correspondence between the estate and the department.

Mr. HAZEN: The lease was a very peculiar one. One contention was that the lease was practically perpetual; that it never expired, and that as long as we chose to hold the property and pay $1,200 a year, we had the right to do so, and we kept tendering that $1,200 a year. After, however, having taken the advice of the Department of Justice, and having considered the matter, we decided it was better for all concerned to expropriate and thus get the absolute right to the property.

Mr. LEMIEUX: What about the marine railway at Sorel?

Mr. HAZEN: I have not heard of it for many years.

Mr. MACDONALD: In connection with the construction of the steamer Maisonneuve, where does the department get the

engines and boilers for steamers that are constructed in Canada?

Mr. HAZEN: The boilers that we use at Sorel we make ourselves. I do not know where the engines for the Maisonneuve came from, but my impression is that they were built by a private firm after tenders had been called for. There are a number of private firms at Sorel constructing engines.

Mr. MACDONALD: In regard to vessels generally that are built in the department or for the department, is it possible to have satisfactory engines constructed in Canada?

Mr. HAZEN: Yes, we have found that to be the case.

Mr. MACDONALD: The theory used to be that we could not get satisfactory engines or boilers except in England?

Mr. HAZEN: The information from my officials, who know more about the matter than I do, is that the engines we have had built in Canada for our boats have been satisfactory.

Mr. MACDONALD: For quite a while, the boilers for the boats that were built in Canada were so constructed that it was impossible to use Canadian coal. The boilers used in connection with these steamers have no difficulty in that regard?

Mr. HAZEN: We use Nova Scotia coal altogether in connection with the St. Lawrence ship-channel work and with all our steamers.

Scientific institutions — Meteorological service, etc., $201,793.

Mr. SINCLAIR: What is the increase due to?

Mr. HAZEN: That is due to increases in salaries. The salaries are small, and we are giving the ordinary statutory increases of $50 or $100.

Mr. SINCLAIR: Where are these stations?

Mr. HAZEN: The head meteorological station is at Toronto, and that is where most of the expense is. The head man is Sir Frederick Stupart, and he has a staff of officials at Toronto. There are other stations at Victoria, St. John, Quebec, Moosejaw, Edmonton, Halifax, Fredericton, Montreal, Winnipeg Woodstock and Sherbrooke. There are also telegraph stations at Vancouver, Kingston, Chatham, Port Arthur, Charlottetown, Sydney, Yarmouth, Atlin, Swift Current Prince Rupert, Dawson and other places all over Canada.

[Mr. Macdonald.]

Mr. SINCLAIR: Does this item cover the expense of the telegraph service?

Mr. HAZEN: Yes.

Mr. SINCLAIR: Is it necessary to have this telegraph service?

Mr. HAZEN: It is necessary to collect the information in order that the probabilities may be sent out.

Mr. SINCLAIR: You do not own the telegraph lines, but simply pay for this service?

Mr. HAZEN: We pay for the service. The station at Bermuda costs $375. The station at Triangle Island, at the entrance to Prince Rupert, $250; Regina, $240. There are also stations at White River, Father Point, Sable Island, and places like that. The total cost of the telegraph stations is $17,000.

Mr. LEMIEUX: Are reports wired from Sir Frederick Stupart's office all over Canada?

Mr. HAZEN: Sir Frederick Stupart's office collects all the information, and then sends out reports as to the weather probabilities in the lake region, the Gulf of St. Lawrence, and so on.

Mr. LEMIEUX: What are the probabilities for the next political storm?

Mr. HAZEN: We have got to get the different elements together first, before I can tell you that.

Mr. A. W. CHISHOLM: Do storm drums come under this vote?

Mr. HAZEN: Yes.

Mr. A. W. CHISHOLM: I have a little grievance which I want to bring to the minister's attention. Who is the man in charge of the storm drum at Grand Etang?

Mr. HAZEN: His name is not here, but he gets $60 a year.

Mr. A. W. CHISHOLM: Are these yearly appointments?

Mr. HAZEN: Not necessarily so; they are made from time to time.

Mr. A. W. CHISHOLM: These are very important stations to us, as they fournish a great deal of information that is of vast benefit to the fishermen particularly. A man by the name of Cormier was placed in charge of the storm drum at Grand Etang some seven or eight years ago. He gave a first class service in every respect. He was in poor circumstances and in poor health,

and my information is that he has been dismissed and another man appointed in his place. It is very important that I should know who his successor is, because I have a word or two to say in regard to this service, which has saved perhaps more lives than any other.

Mr. HAZEN: I should be very glad to give my hon. friend the information, but I have not got it here.

Mr. A. W. CHISHOLM: I think possibly I have the information myself. I have a very strong impression that this man was dismissed on account of municipal politics. It is a disastrous condition of affairs if the service of this country is to be prostituted at the instance of political demagogues scattered all over the country. The position that this man occupied was of very great importance to our fishermen, and he gave a first class service. We may have a municipal election again next fall and this man's successor, if he does not vote the right way, may be dismissed and some one else be appointed in his place. In my judgment the dismissal of this man is about as small a piece of business as I have heard of since I came to this House. I do not think the minister knows anything at all about it because he has too great a sense of fairness to allow anything like that to take place. I have no doubt that some under-strappers who control some portions of his department are responsible for this dismissal. This may be a small thing—the minister says the salary is only $60, but I can tell him that the service is worth a great deal more than that to the fishermen who are dependent upon the notices sent out from this station. It is a very rough coast down there, and these storm drums were put up possibly at my instance, and have given excellent service, but if the whole machinery is going to be put in the hands of local politicians I am sorry the storm drums were ever put up. Would the minister investigate this case?

Mr. HAZEN: I will look into it.

Mr. A. W. CHISHOLM: If the minister finds that this man gave perfect satisfaction, will he restore him? It is not often I make a request, but I feel that a great injustice has been done in this case.

Mr. HAZEN: The hon. gentleman must not press me too hard.

Mr. A. W. CHISHOLM: I have great regard for the minister's word, and if he says he will replace this man, I shall be content.

Mr. HAZEN: I will look into the matter.

Marine hospitals, including grants to institutes assisting sailors, $75,000.

Mr. HAZEN: The amount we spent last year up to the 31st of March was $57,540. There are some items for April that will have to be added to that. The amounts that have been spent for the last six years since 1910-1911 are resepectively $54,000, $52,000, $54,000, $65,000, $64,000 and $57,000. Owing to the increasing cost of living the hospitals have found it necessary to increase the per diem rate for hospital treatment at certain points. Arrangements are made in ports where there is a well-established public hospital for the sailors to receive treatment at a per diem rate. The rate used to be $1 a day, but the hospitals have had to increase that to $1.50. That includes nursing, attendance and everything else required. The hospitals represent that there has been a great increase not only in the price of food but in drugs and hospital supplies. It is expected that this amount will cover all expenditures during the coming year.

Mr. SINCLAIR: How is this vote administered at Canso?

Mr. HAZEN: The resident doctor there is Dr. A. McGarry.

Mr. SINCLAIR: How are patients provided for?

Mr. HAZEN: There is no hospital there, and patients are sent to a private house, under an arrangement made.

Mr. KYTE: What about the marine hospital at Point Tupper, closed some years ago?

Mr. HAZEN: I think the patients there in need of treatment are sent to the hospital at Sydney.

Mr. KYTE: Who is the marine doctor at the strait of Canso? Dr. McLeod, of Hawkesbury was the physician there, but he was dismissed by this Government, and Dr. McKenzie, of Port Mulgrave, was appointed.

Mr. HAZEN: The incumbent of the hospital having died, Dr. McKenzie has been appointed temporarily in his place.

Mr. SINCLAIR: Has the minister had a request from Canso in regard to an increase of the expenses there?

Mr. HAZEN: We have had correspondence about the matter, and have agreed to pay an increased amount.

Mr. SINCLAIR: Is it on account of the increased cost of drugs?

Mr. HAZEN: No, but we have to pay more to the house to which sailors are sent, just as we have to pay increased rates to the different hospitals.

Mr. SINCLAIR: I understand that the request from the medical officer was for an increase on account of the greater cost of drugs, and I heard a fear expressed that the service might be discontinued unless the minister paid attention to that request.

Mr. HAZEN: Dr. McGarry is paid $375 a year, and out of this supplies his own medicines.

Mr. SINCLAIR: What is the minister going to do about it?

Mr. HAZEN: If we increase the amount paid to one doctor on account of the increased cost of drugs, we could hardly refuse to make that increase general, because it is not in Canso alone that drugs are more costly. Before I increase their pay all over the country, I should have to give the matter very careful consideration.

Mr. SINCLAIR: At Canso there is no doctor available except Dr. McGarry. There is a doctor at Hazel Hill, but he is employed by the cable company and is not at liberty to attend to sailors. If Dr. McGarry withdrew from the service, it would be difficult to replace him. I think it is true that he is not getting enough, particularly since the cost of drugs has become so great. There are usually quite a number of calls upon him. I would like the minister to look into this matter and see if the physician's request is not a reasonable one.

Mr. HAZEN: There may be exceptional circumstances at Canso, as the hon. member seems to think. I will look into it.

Mr. KYTE: Who is the port physician at St. Peter's?

Mr. HAZEN: Dr. J. A. McDonald.

Mr. KYTE: What is his salary?

Mr. HAZEN: It is $250.

Mr. KYTE: Is that the salary at which he was appointed?

Mr. HAZEN: I do not know.

[Mr. Sinclair.]

Mr. SINCLAIR: Do these doctors report the number of patients they attend?

Mr. HAZEN: Yes, they report quarterly.

Mr. SINCLAIR: By looking at that report the minister could see what service is rendered by the port physician at Canso?

Mr. A. W. CHISHOLM: Who is the port physician at Cheticamp?

Mr. HAZEN: It is Dr. P. J. L. Fiset.

Mr. A. W. CHISHOLM: Is he permanently appointed, and is he paid a fixed amount?

Mr. HAZEN: Yes, $300.

Mr. A. W. CHISHOLM: I see by the Auditor General's Report that Dr. Fiset received $125.75 and Dr. Lablanc $115.

Mr. HAZEN: The change was made since the report from which the hon. gentleman is quoting was made. At one time there were two doctors there acting as port physicians, and each making a charge for the work actually performed by him, with the result that we paid a pretty large sum for the service. Now we have an arrangement with Dr. Fiset by which the whole serivce is performed for $300.

Mr. KYTE: Where the port physician is not available and a vessel comes in with a sick mariner aboard, and another doctor has to be called in, how are the fees provided for?

Mr. HAZEN: There is a fairly well established rule. Unless the port physician is able to give satisfactory reasons why he was not available, and why he did not arrange with somebody else to conduct his business for him while he was away, we pay the other doctor and deduct the amount from the salary of the port physician.

Mr. KYTE: It appears to me that the fact that the regular port physician is not on the ground to render medical service ought to be a sufficient reason for the department deducting the amount of the service from his salary. I do not think that any question ought to arise as to the reasons why the services of the port physician are not available. There are cases where hardships are occasioned when mariners pay sick mariners' dues. If a mariner is sick and the port physician is absent he will be obliged to call in another physician. Is it the invariable practice of the department to pay for the services of the other physician and deduct from the salary of the regular physician?

Mr. HAZEN: I believe that is practically the course pursued in almost every case. There may be some exceptional reason why it would not be just for the department to do that but in the great majority of cases that is done. As a rule, there is generally an arrangement among the doctors to take care of each other's cases during the absence of any one of them.

Mr. KYTE: A short time ago Capt. Poirier came into the port of Arichat very ill and he sent for the port physician, Dr. P. A. LeBlanc. For some reason or other, the port physician did not answer to the call. Captain Poirier was obliged to secure the services of another doctor, the doctor rendered his bill to the captain and the captain naturally looks to the department to indemnify him. I would like to know if that is one of the cases in which the minister would think that the port physician ought to be charged with the fees of the other practitioner.

Mr. HAZEN: I have not had an opportunity of looking into the facts. They ought to be submitted to us and then we could come to a decision about them.

Mr. A. W. CHISHOLM: Do I understand that Dr. McLeod has been permanently appointed as port physician at Hawkesbury?

Mr. HAZEN: No, he is acting temporarily.

Mr. A. W. CHISHOLM: He takes the cases as they come along?

Mr. HAZEN: Yes; under an arrangement with him and we pay him.

Mr. SINCLAIR: Does he look after the cases at Mulgrave as well as at Hawkesbury?

Mr. HAZEN: Yes.

Mr. SINCLAIR: How much was received for sick mariners' dues last year?

Mr. HAZEN: $75,545.

Mr. SINCLAIR: That covers the whole expenditure of this item and a little more?

Mr. HAZEN: It more than covers it.

Mr. SINCLAIR: So that we are not losing anything on this service?

Mr. HAZEN: No.

Mr. SINCLAIR: I understand that there is a considerable amount to the credit of the fund for past years?

Mr. HAZEN: Yes.

Mr. SINCLAIR: I think that is a reason why the minister should be a little more liberal with the port physicians. The fact that they are pressed down to the lowest amount is not a good thing for the service. The natural result is that the doctor who only gets $200 or $300 a year for this service does not take much interest in it and the sailor suffers. If the minister would look into the particular case of each port and ascertain the work that is done, and whether it is necessary to give a living wage to the doctor who is doing it, it would be better for the service, and it would give a fair chance to the men who are being attended. Sailors are apt to be poorly looked after if the department is not paying the parties who are looking after them fairly, or as they would be paid by outside people for the same service.

Mr. HAZEN: That is one reason why we endeavour, wherever we can, to get the sailors to go to the hospitals.

Mr. SINCLAIR: I am speaking now about places where there are no hospitals. I have drawn the attention of the minister to a case of hardship that occurred at the port of Canso in years gone by, partly because there was no proper place at which to attend sick sailors when they came in. They could not get proper attention because they had to go to some boarding house. If they come in sick with a contagious disease the appliances are very poor, and it could hardly be expected that a doctor would do his best work for the fee that he is getting at a port like Canso, where so many seamen and fishermen from the Banks come in, to say nothing of the medical requirements of the locality. There is a bright young doctor at Mulgrave by the name of Dr. Breen, a very capable young man, and I thought that at the time when Dr. McKenzie's death took place he would be his successor, as he took up Dr. McKenzie's work in Mulgrave and carried it on. He would have been the natural person to appoint for this service, and if my hon. friend is looking for a man to take the place permanently he could not do better than appoint Dr. Breen, who is at Mulgrave, who is well capable of doing the work and who is trusted by everybody.

Mr. A. W. CHISHOLM: This is an occasion when I have much pleasure on congratulating the minister on making the selection of Dr. McLeod, because he is situated at the port of Hawkesbury, most of

the shipping is done there and I have no doubt that the minister will see his way clear to make the appointment permanent and leave Dr. McLeod where he is. They will have to come over from Mulgrave to Hawkesbury, because it is the main shipping point.

Mr. COPP: Who is the medical officer at Cape Tormentine?

Mr. HAZEN: Dr. Allen.

Mr. COPP: He left there some time ago and he has since died.

Mr. HAZEN: I am afraid my list is not up to date.

Steamboat inspection, $79,749.

Mr. HAZEN: We will let the item stand, with the understanding that it is open to hon. members to discuss any questions on it, as there are a number not present to-night who are interested in these Estimates. I might say to my hon. friend from Guysborough (Mr. Sinclair) that in accordance with his suggestion of last session I propose, on taking up the Fisheries Estimates, to make a general statement on the progress of the fisheries. I had perhaps better not start that to-night.

Progress reported.

On the motion of Hon. Mr. Hazen the House adjourned at 11 o'clock p.m.

Monday, June 4, 1917.

The House met at Three o'clock, the Speaker in the Chair.

LIBRARY OF PARLIAMENT.

Mr. SPEAKER: I have the honour to inform the House that I have directed the Clerk of the House to lay upon the table of the House the Report of the Joint Librarians of Parliament with reference to the appointment of Herbert Charles Stock as a messenger in the Library of Parliament at $800 per annum. Mr. Stock has received the certificate of qualification required by the Civil Service Amendment Act in that behalf, and I recommend that the said appointment be concurred in.

SELECT STANDING COMMITTEE ON AGRICULTURE AND COLONIZATION.

Mr. J. A. SEXSMITH (East Peterborough) presented the first report of the Select Standing Committee on Agriculture and Colonization as follows:

[Mr. Chisholm.]

The Select Standing Committee on Agriculture and Colonization present the following as their first report:

Your Committee reports for the information of the House, the following evidence taken during the current session of Parliament: The evidence of Mr. J. H. Grisdale, Director of Dominion Experimental Farms, on "Farm management of Dominion Experimental Farms", and on the "Feeding and Raising of Stock" and would recommend that 25,000 copies of said evidence be printed in separate pamphlet form, for distribution forthwith in the usual numerical proportions of English and French, and that rule 74 with reference thereto be suspended. Your Committee would further recommend that it be divided into the following numbers, viz. 22,000 to Members of Parliament, 2,800 to the Department of Agriculture and 200 to the use of the committee.

He moved:

That the first report of the Select Standing Committee on Agriculture and Colonization, relating to the printing of evidence taken before them during the current session of Parliament, be concurred in, in accordance with the recommendation of the committee in said report.

Sir WILFRID LAURIER: Will the hon. gentleman explain the tenor of the report?

Mr. SEXSMITH: We had before the committee Mr. Grisdale, Director of Dominion Experimental Farms, who addressed the committee on farm management of the different experimental farms throughout the Dominion. The committee invited him to come back and finish his address, and on the second day he addressed the committee on the breeding and feeding of live stock. It was the unanimous opinion of the committee that we should have some twenty or twenty-five thousand copies of the evidence printed, so that they might be distributed throughout the various ridings of the country.

Mr. CURRIE: As chairman pro tem. of the Printing Committee, I oppose this motion because we are trying to keep down the expenses of printing, and if this matter is left to the Printing Committee, we will seriously consider whether it is worth while spending eight or ten thousand dollars on printing this report. Many other committees are anxious to have their reports printed, but the expenses are being cut down. I hope the House will not consent to this motion until the matter comes before the Committee on Printing.

Mr. SPEAKER: This is a motion that should properly be passed only by the unanimous consent of the House, because if I understand aright the remarks of the hon. member for East Peterborough (Mr. Sexsmith) it is a motion to suspend Rule 74.

Mr. SEXSMITH: The hon. member for North Simcoe has mentioned the sum of $10,000 in regard to printing this evidence. Such an amount is entirely absurd. I think it is very important that this evidence should be printed. Of course, I am just speaking on behalf of the committee.

Mr. SPEAKER: Order.

Sir WILFRID LAURIER: Mr. Speaker, before you dispose of this, may I remind the hon. member for North Simcoe that last year he presented a very important report from the Committee on Printing, and that that report was held up and has not yet been considered. As the matter is one of great importance, I hope he has not forgotten it.

Mr. CURRIE: No.

Sir ROBERT BORDEN: That report was referred by resolution of the House to each department of the Government, and the deputy head of each department was instructed to make a report as to carrying it out, and to have that report ready for the present session of Parliament. I think my memory is correct in that respect. I do not know whether those reports have been made and referred to the committee or not, but I will make inquiry.

Sir WILFRID LAURIER: My memory is at variance with that of the Prime Minister, but he may be correct. I understand the matter was allowed to stand over in the absence of the hon. member for North Simcoe.

Mr. CURRIE: Action has been taken by the various departments along the line mentioned by the Prime Minister, but this motion is an attempted evasion of Rule 74.

Mr. SEXSMITH: This is not an attempt to evade the rule; it is simply an endeavour to get the evidence printed in order that members may have copies of it before the close of the session.

Sir ROBERT BORDEN: The Clerk of the House informs me that my recollection of what took place last year is correct.

Motion stands.

REPORTS PRESENTED.

Report of the Department of Trade and Commerce for the fiscal year ended March 31, 1916, part IV.—Sir George Foster.

Supplement to the Sixth Annual Report of the Department of Naval Service, Fisheries Branch, Contributions to Canadian Biology.—Hon. J. D. Hazen.

QUESTIONS.

(Questions answered orally are indicated by an asterisk.)

SUGAR COLOURING.

Mr. CARVELL:

1. Has the Government seen an advertisement in the Toronto Telegram of the 4th of May, which also appeared in the other papers to the effect that ultramarine dyes have been used in the colouring of sugars?
2. Has the Government reason to believe that ultramarine dyes have been so used?
3. If so, what action, if any, has the Government taken up to the present time to prohibit the use of ultramarine dyes or other poisonous materials in the colouring of sugar?
4. If the Government has taken any steps, when did they take them?
5. What is the scope of such action?
6. If the Government has decided to prohibit the use of ultramarine dyes or other poisonous materials for the purpose of colouring sugar, what steps will the Government take in regard to the sugar that might be on hand in refineries or elsewhere which are coloured contrary to law?
7. If the Government have passed an order to the effect above suggested, will they allow this sugar improperly coloured to be sold in Canada?
8. If they do allow it to be sold in Canada, will the Government insist upon it being labelled so that the public buying the sugar may not be deceived in what they are buying?

Mr. SEVIGNY:

1. No.

2. Yes. During the months of December, January and February, 1916, our food inspectors made a collection of 175 samples of sugar throughout the country. These samples were analysed at the laboratory, and 169 were found to be genuine, and 6 were adulterated as containing a dye, without declaration of the fact, and in violation of the standards of sugar fixed by Order in Council on the 7th day of September, 1914, which declares that sugar which is sold as granulated, loaf, cut, milled or powdered sugar shall contain at least 99.5 per cent of sucrose, and shall be free from any artificial colouring matter. These six samples were found to conform to the standard, with the exception of the addition of the colouring matter.

3. The Chief Analyst of the Department has declared that sugar containing ultramarine may be regarded as being quite harmless to health, and there is no particular objection to this dye provided that its presence is declared to the consumer; in other words, as the dye is used to hide a less advanced state of refinement, this fact should be made known to the consumer in all justice to the more highly refined sugars. The six samples above re-

ferred to was bought from retailers, and they were found to come from stock bought at the same refinery. The attention of the retailers and refiners was called to the standards established for sugar in 1914, and they were warned that unless they conformed to these standards in future they would be prosecuted. The department issued Bulletin No. 343 containing the report of the chief analyst on the result of the analysis of the 175 samples, and containing also a list of the names from whom these samples were bought, the names of the manufacturers, the result of the analysis, and also remarks indicating as to whether the samples were genuine or adulterated, etc. Opposite each of the six cases reported as being adulterated, the following remark is printed, "containing a blue dye."

4. The bulletin above referred to was printed and distributed throughout the country in the early part of this year.

5. The collection of samples made last year and the distribution of the bulletin were the first steps taken in reference to this matter, since the establishment of the standards in 1914.

6. The fact that there is in refineries coloured sugar is not illegal. The illegal act is committed when this coloured sugar is offered for sale without a declaration of the fact on the label, etc.; therefore, the department can take no action in regard to coloured sugar on hand, unless it is offered for sale without declaration of this fact.

7. The standard declared in September, 1914, does not prohibit the absolute sale of coloured sugar, provided that the fact of the existence of the colouring is declared.

8. Yes.

MAJOR G. P. DILLON.

Mr. PROULX:

1. Is G. P. Dillon, Montreal, purchasing agent for the Dominion Penitentiaries?
2. If so, what is his salary?
3. Is this the same G. P. Dillon who was looking after the prisoners in the internment camps of Ontario, with the rank of Major?
4. Does he draw his salary of $3,000 as Purchasing Agent for the penitentiaries, and also his salary as major?

Mr. DOHERTY:

1. Yes.

2. Three thousand two hundred dollars.

3. Yes. Major Dillon has acted as purchaser for the internment camps, and in addition rendered valuable service in connection with transportation of prisoners and the establishing and maintenance of economy in connection with the camps.

[Mr. Sévigny.]

4. No. He draws the military pay of captain for his services as purchaser for the internment camps. This arrangement has the advantage of securing the services of an exceptionally qualified purchaser, and is much more economical than would be the appointment of a separate purchasing agent for the work of the camps.

MAPLEOL AND MAPLEINE.

Mr. BOYER:

1. Has the Government prohibited the sale of (a) Mapleol and (b) Mapleine?
2. If the same has not been prohibited, is it because the Government considers that the nature of these compounds conform to the law respecting adulteration?
3. What is the number of samples of (a) maple sugar and (b) maple syrup which have been analysed during the year 1915-16?
4. How many of these samples have been found adulterated?
5. Have proceedings been taken against those found offending?
6. If so, what is the number of such persons, and what are their names?
7. Have they been convicted and fined?
8. If so, to what amount?

Mr. SEVIGNY:

1. (a) Mapleol, nothing on record; (b) mapleine, no.

2. (a) Mapleol, answered by No. 1 (a); (b) mapleine, yes. This is an essence in no way resembling maple syrup.

3. (a) Maple sugar, 234; (b) maple syrup, 243.

4. (a) Maple sugar, 25; (b) maple syrup, 46.

5. (a) Maple sugar, yes; (b) maple syrup, yes, in 5 cases out of 46. Under the advice of the chief analyst no departmental action was taken in the case of 41 samples of maple syrup which were found adulterated, because the order for collection preceded the date (May 15, 1915), at which the standards for maple syrup became legally effective.

6, 7 and 8, answered by statement attached.

The following statement shows the number and names of parties who have been convicted and fined for having in their possession adulterated maple sugar and maple syrup:—Maple sugar: S. Smith & Son, fined $25; Bauld Bros., Ltd., fined $25; Coleman & Eisener, fined $25; John McIver, case stands; J. W. Philips, suspended sentence; J. A. Provencher, fined $25; N. Trudeau, fined $5; H. Pepin, fined $25; H. Robinson, fined $5; E. E. Biron, fined $25; P. J. Roy, fined $25; H. Brydge, fined $25; P. J. Frood, fined $25; L. Malette, fined $25; J. S. Ireland, fined $25; A. Fedy, fined $25; W. D. Stephens, fined $25; J. Cherpaw, fined $25; Willard & Co., fined $25; S. Bourgeman, fined $25; B. H. Walsh, fined

$25; W. R. Cole, fined $25; W. H. Tricker, fined $25; Hardy & Buckanan, fined $25; Chaston & Treteau, case before the court.

Maple syrup:—The following cases are before the court: H. A. E. Morin, L. Archambault, Mont La Salle Grocery, C. H. Fournier, Choquette & Frere.

RECRUITING EXPENSES.

Mr. OLIVER:

1. What was the total cost to the Government in salaries, houses, rental and other expenses, over and above the pay and allowances of enlisted officers and men employed in recruiting for overseas service, from August 4, 1914, to May 1, 1917?

2. What was the total amount of money contributed by persons or organizations and not chargeable to the Dominion Treasury, which was used by the recruiting agencies of the Government in recruiting for overseas service from August 4, 1914, to May 1, 1917?

Sir EDWARD KEMP:

1. The claims for travelling expenses and transport in connection with recruiting have never been segregated from other items of war expenditure under the same headings, and to separate these charges now would necessitate wading through some hundreds of thousands of vouchers and would occupy the time of a very large staff of clerks for a considerable period.

2. This information is not available in the department

CAMPBELLTON-GASPE STEAMSHIP SERVICE.

Mr. MARCIL:

Is it the intention of the Department of Trade and Commerce to insist upon the steamer doing the service between Campbellton, N.B., and Gaspé, Quebec, to stop at way ports both going and coming?

Sir GEORGE FOSTER: All steamship contracts made by the Department of Trade and Commerce stipulate certain ports of call. In many cases calls are not possible in rough weather. The department insists upon calls being made when possible. No complaints as yet this year have been received relative to the steamship service between Gaspé Basin, Dalhousie and Campbellton.

RURAL MAIL DELIVERY ROUTES.

Mr. EDWARDS:

1. (a) How many rural mail delivery routes were in operation October 1, 1911, (b) and how many boxes were served on such routes?

2. (a) How many rural delivery routes were in operation March 31, 1917, (b) and how many boxes were served on such routes?

3. How many new post offices were opened from October 1, 1911, to March 31, 1917?

4. (a) How many new money order offices, (b) and how many new postal note offices have been opened from October 1, 1911, to March 31, 1917?

Mr. PATENAUDE:

1. (a) 614 rural mail delivery routes; (b) 16,015 boxes.

2. (a) 3,586 rural mail delivery routes; (b) 165,043 boxes.

3. 2,682 new post offices.

4. (a) 1,335 money order offices; (b) 2,391 postal note offices.

THEOPHILE FISET.

Mr. DELISLE:

1. Has Theophile Fiset, of the Parish of St. Bazile, in the County of Portneuf, been paid the sum of $1,100, the amount awarded to him for land sold to the National Transcontinental Railway?

2. If so, when?

3. In whose name was the cheque made out?

4. If there was more than one cheque issued for the said sum of $1,100, in whose names were the said cheques issued and for what sum to each person?

Mr. COCHRANE:

1. Yes.

2. January 24, 1917.

3 and 4. One cheque was issued in the name of Theophile Fiset and Lucien Morand, solicitor for the Crown.

UNOPPOSED MOTIONS FOR PAPERS.

Mr. SINCLAIR:

For a copy of all letters, petitions, telegrams and other papers or documents in possession of the Government relating to the dismissal of Stanley McCutcheon of Senora, N.S., Preventive Officer, and the appointment of his successor.

Mr. BUCHANAN:

For a copy of all correspondence, telegrams and other papers in connection with the closing of the post office at Horseshoe Canyon, Alberta.

Mr. CHISHOLM:

For a return showing the names of persons in the County of Inverness who have been receiving separation allowance and assigned pay, from the year 1914 to the present date.

Mr. SINCLAIR:

For a copy of all tenders, correspondence, reports, telegrams, papers and documents in the possession of the Post Office Department bearing date after January 1, 1917, relating to the contract for mail service between the Intercolonial Railway station and the post office at Heatherton, N.S.

Mr. LEMIEUX:

For a copy of all correspondence between the chief of the Hansard translation staff of the House, the Clerk of the House and the Speaker, since April 19, 1917, to date.

RELEASE OF EDWARD LEVI BAUGH.

Hon. CHARLES MURPHY moved for:

A copy of the reports made by the trial judge and the penitentiary surgeons in connection with the release from penitentiary of Edward Levi Baugh.

Hon. C. J. DOHERTY (Minister of Justice): I notice that the motion asks for the production of the report made by the trial judge. I would point out that it has never been the practice to produce the reports of the judges upon these applications for tickets of leave. The matter has been discussed in the House on more than one occasion, and I think the consensus of the House has been that these reports should be treated as confidential. I therefore desire to enter my objection against that part of the motion being passed. As regards the reports of the penitentiary surgeons, I see no objection to their being produced. I am not suggesting that Parliament could not possibly order the production of these documents, but I am pointing out that it has been the well established practice of Parliament ever since the Ticket of Leave Act came into force, to treat such documents as confidential.

Motion stands.

BANK ACT AMENDMENT.

LOANS ON SECURITY OF LIVE STOCK.

On motion of Sir Thomas White (Minister of Finance) the House went into committee to consider the following proposed resolution, Mr. Rainville in the Chair:

That it is expedient to amend the Bank Act by repealing subsections twelve to twenty, inclusive, of section eighty-eight and the schedule thereto as enacted by section two of chapter ten of the statutes of 1916, and to provide in lieu thereof that the chartered banks may loan money to farmers, and those engaged in raising stock, upon the security of their live stock, that is to say, horses, cattle, sheep and swine, and the offspring of any such animals, and including wool, clipped from sheep while such sheep are subject to such security, and further to provide for the filing of the security and the priority of the Bank's claim, and entry, seizure, and sale in case of default in payments due, and disposal of the proceeds.

Sir THOMAS WHITE: It may be convenient for me at this stage to explain the reason for this amendment to the Bank Act. Last year, in order to facilitate the making of advances to farmers and others engaged in the raising of livestock, we amended the Bank Act by providing that banks might loan to farmers or persons engaged in the livestock industry upon the security of such livestock, taking as security bills of sale or chattel mortgages upon such livestock. It was provided in that legislation that such bills of sale or chattel mortgages should be registered in accordance with the laws of the several provinces in which they were taken. The measure was considered pretty carefully by the House and by the Banking and Commerce Committee, and it was thought at the time that it would reasonably meet the situation. That legislation was introduced at the request of the United Farmers of Alberta, who were interested in the matter of obtaining advances on livestock. But the legislation in its working out has proved to be cumbrous and expensive, and has not been taken advantage of to the extent we expected, for the reason that many farmers have a strong objection to executing chattel mortgages, and for the further reason that the drawing and registration of these chattel mortgages entailed considerable expense. During the past year I have had a further request from the farmers of Alberta to reconsider the matter and enact legislation enabling the banks to make loans upon the security of livestock, taking a simple form of assignment which might be registered at a trifling expense. I have given the matter a good deal of consideration with the result that when this resolution is adopted I purpose introducing a Bill enabling the banks to make loans to farmers or persons engaged in raising or feeding livestock upon the security of such livestock, taking an assignment in simple form of such livestock. The legislation will also provide that if under the provisions of any law in force in the province in which are the livestock mentioned in any security taken under the Act, any such livestock shall be exempt from seizure and sale under any writ of execution, then it shall continue to be exempt.

In this legislation, as in the legislation of last year, we shall have regard to the provincial law in force in the province in which the security is taken. There will be a further provision in the Act that in any province in which there are statutes or laws of the province in force relating to mortgages of goods and chattels or bills of sale, if the officer or person with whom or in whose office a chattel, mortgage or bill of sale may be registered or filed is authorized and empowered by the legislature of the province to receive and file the security taken under this resolution, then it shall be so filed. In other words, we purpose to permit the bank to make advances to farmers and others engaged in the live stock industry upon the security of the live stock, the bank taking a simple form of assignment. That form of assignment could not now be registered in any of the provinces, so far as I know. Nor have we the power to compel any provincial

officer to register such assignment. In order that the province may, if it sees fit, protect the rights of creditors against the lien, we provide that the officers charged with the duty of receiving and filing mortgages and bills of sale, being so authorized, may receive and file an assignment given as security for a loan under this law. In this way the matter will really be in the hands of every provincial legislature. The subject has been an exceedingly difficult one to deal with; but I think that this Bill will meet the situation satisfactorily and will enable the farmers to obtain loans from the bank upon the security of their live stock, giving a simple form of assignment which, in the province so requiring it, may be filed in an inexpensive manner.

Sir WILFRID LAURIER: Do I understand that the main difference between this proposed legislation and the legislation of last year is simply the substitution of an assignment for a mortgage or bill of sale?

Sir THOMAS WHITE: That is one difference.

Sir WILFRID LAURIER: That is the main difference?

Sir THOMAS WHITE: Possibly it may be, but I should not like to say so without an opportunity to explain further.

Sir WILFRID LAURIER: I cannot see what is the object of making this distinction between a bill of sale or chattel mortgage on the one hand and an assignment on the other. There may be some technical reason for it, but I do not know what it is.

Sir THOMAS WHITE: So far as the bank is concerned, there is no difference. Under the existing legislation, the bank may make advances upon live stock and may take a chattel mortgage, which, in any province other than Quebec, has to be registered in accordance with the laws of the province. Provision was made in the legislation of last session that in the province of Quebec the loan might be taken without registration except, I think, publication in the Provincial Gazette; at all events, it was not possible to deal with Quebec as we dealt with the other provinces, as there is no chattel-mortgage legislation in the province of Quebec. The reason for the present legislation is that the farmers are unwilling to take advantage—at any rate they have not taken advantage—of the existing legislation, because, in the first place, they do not like to give a chattel-mortgage, and, in the second place, because it costs a substantial fee to draw a chattel-mortgage (which usually follows a well-known form) and register it in accordance with the laws of the province. The result is that the amendment of last session is not working out satisfactorily, and we have been requested to enact legislation which will enable the farmer to obtain loans upon his live stock by executing a lien note or assignment which may be registered if the provincial legislature sees fit to enact legislation under which their officers may receive and file the document.

Mr. PARDEE: And if it is not registered?

Sir THOMAS WHITE: The lien is still valid.

Mr. PARDEE: And the bank becomes the holder of a lien, and subsequent creditors are not entitled to notice?

Sir THOMAS WHITE: Not entitled to notice.

Mr. PARDEE: Why should that be? Why should not the farmer who mortgages his stock give notice like any other debtor?

Sir THOMAS WHITE: That is the effect of this proposed legislation in the event of the province not passing such legislation as is referred to.

Mr. PARDEE: But the province may pass that legislation or not, as it pleases.

Sir THOMAS WHITE: If the province thinks that the advantage accruing to the farmer from opportunity to borrow on his product, as the manufacturer borrows on his product, does not more than counterbalance the other interests affected, they will pass the legislation. We will leave it to the province to determine whether notice shall be given or not. If the province determines that this lien may not be filed, the responsibility, it seems to me, is theirs, for their jurisdiction covers this subject. All chattel mortgage legislation, so far as I am aware, is legislation of the provinces, not of the Dominion. If there is any better way to overcome the difficulty than this that I have suggested, I shall be only too glad to hear of it when the Bill is in Committee of the Whole, or better still, when it is before the Committee on Banking on Commerce. We are seeking to meet a situation in which the farmer engaged in the all-important subject of live-stock raising is vitally interested.

Mr. GERMAN: I doubt very much if the reason why the farmers have not taken advantage of the legislation of last year is that they do not desire to have a chattel

mortgage filed. I am inclined to think that they have not required to take advantage of it; the farmers have not needed to borrow so much money from the bank as they did previously; they are better off than they were. The Minister of Finance must see that when he gives the banks preferential trade over ordinary creditors, without notice, he is going a long way to protect a class of people who, I think, do not need protection, at any rate not by legislation. What expense can there be attached to the giving of a chattel mortgage? The chattel mortgage is a very simple thing, equally as simple as any sort of an assignment which a man could contract. A chattel mortgage is simply an agreement on the part of one party to pay to another party a certain sum of money at a certain time and agreeing that certain chattel property which the borrower has is liable to be sold in default of payment. In any sort of assignment that could be devised the same conditions would be included as are included in a chattel mortgage. That assignment would necessarily have to be filed. There would be no authority on the part of this Government to enact that the assignment should be registered in any of the county offices throughout, at all events, the province of Ontario. That would have to be done by legislation on the part of the provinces. It would have to be registered. It would be absolutely unfair to other creditors to allow a farmer to pledge all his livestock to a bank without notice to any other person who might be inclined, or induced, to loan him money. That could not be the law. In so far as Ontario is concerned—I do not know what the law is in other provinces—it would be too unfair to either party to put such a law as that on the statute-book. The assignment would have to be registered as a notice to the world. Why should not a chattel mortgage be used just as well as an assignment? Every condition that is in the chattel mortgage would necessarily be in the assignment. All the stock, and everything that was covered by the security, would have to be recited in the assignment and that assignment would have to be registered. It would cost just as much as a chattel mortgage. The banks could have their forms of chattel mortgages so that when a farmer went to the bank to borrow money on the security of his live stock, the solicitors who are employed in every town and village where there is a branch bank and paid so much a year by the bank, could fill up the chattel mortgage and it could be executed without any expense. I think the Minister of Finance should hesitate before putting on the statute-book legislation which will allow any man to mortgage his property to a bank without putting the transaction in a position where the public generally will have notice of the encumbrance because he is giving a preference to the bank that does not need a preference, that is not asking for it and I doubt very much if the farmers, when they thoroughly understand it, will be particularly interested in the matter. I doubt the wisdom of such legislation.

Mr. PUGSLEY: I think there is very great objection to the Bill as it stands, even if it might be considered desirable to provide that it should not be put into force until legislation is enacted by the different legislatures. The trouble about this Bill is that it goes into effect at once and it would be operative in a province where there is no legislation allowing this memorandum to be filed and where, in the opinion of the legislature, it might not be desirable because they might not approve of the form that is proposed. The form is given in schedule 8. It is very meagre in its terms, but the difficulty is this: Suppose the legislature does not make provision for this at once and the Act goes into operation, what will be the result? Any farmer, or any man, possessing a large amount of stock, or a small amount of stock, possessing one cow or ten cows, one horse or ten horses, can go to a bank in any province of Canada and not only assign his stock but the offspring of his stock and also the wool which may be clipped from the sheep that the man may have. That is done without any legislation on the part of the province and therefore without any notice to the general public. Section 14 is very strong indeed. It reads as follows:

> The bank shall, by virtue of the security taken under subsections twelve and thirteen of this section, have priority over creditors of the grantor or subsequent purchasers or mortgagees in good faith for valuable consideration.

The result of that would be that a farmer down in my province, we will say, owning a small amount of stock might go to a bank, get a loan of $100 or $200, give to the bank a secret lien upon that property, because there is no legislation in New Brunswick which would authorize such a memorandum as this to be filed, and then the farmer might mortgage that property to somebody else and obtain money upon it. The mortgagee might lend the money in perfect good

faith and yet the bank, under the lien would come in ahead of the man who bona fide had lent the money on the security of that stock. In the same way, a farmer might make a sale of stock to a bona fide purchaser for a valuable consideration and without any notice of this secret lien of the bank and the bank would cut him out entirely. It does seem to me that this legislation is of a very dangerous character. It is contrary to what has been the policy of nearly all the provinces in the provincial legislatures for a great many years. That policy has been adopted because of the public necessity for it. Legislatures have provided that all bills of sale must be registered in the registry office within a certain number of days from their execution and that otherwise they would be void as against a parchaser for a valuable consideration. This reverses that policy and gives to a bank a secret lien as against a purchaser for a valuable consideration, or a mortgagee, who, feeling himself secure under his bill of sale or chattel mortgage, would wake up and find the bank after five days' notice, wiping away the security by which he advanced money. It is dangerous legislation and I do not think it is necessary. I do not think it should be adopted. If it is adopted the minister should add to it a section providing that it should not come into operation in any province until the legislature of the province has passed legislation enabling a memorandum of this character to be filed. As my hon. friend from Welland (Mr. German) say, the expense of preparing a memorandum of this kind is nearly as great as that connected with a chattel mortgage, such chattel mortgages are always printed, the banks would keep the forms and there practically need be no expense connected with the matter.

Mr. CURRIE: Does this put the farmer in any different position from that of the ordinary manufacturer and is not the farmer one of the manufacturers of the country? We are trying to get him out of the clutches of the loan sharks and put him in the position of the manufacturer.

Mr. PUGSLEY: In the case of the manufacturer, it is different because of the largeness of the operations. It has been thought well to make provision in the case of the lumber manufacturers, because of the largeness of the operations and the important interests involved. Provincial legislatures have not made any provision to meet cases of that kind, but they have legislated in regard to ordinary bills of sale given by farmers and others. But this gets right down to the case of a farmer who might own ten cows. He would get a loan, he would give the bank a secret lien and he could go tomorrow and borrow money on that stock, the lender would lend the money in good faith, he would record his mortgage in the provincial registry office and he might wake up a fortnight or six weeks afterwards and find that the bank, under its secret lien, could take away his security.

Mr. CURRIE: What would happen to the farmer if he did that? Would he go to jail?

Mr. PUGSLEY: It would be very little satisfaction to the man who lends his money, to put a man in jail. It seems to be very objectionable for that reason. If it is desirable to introduce these forms in the Act, why should not the operation of this Act postponed until the legislatures of the different provinces have had opportunity to approve of the legislation?

Sir THOMAS WHITE: There is only one object in introducing this legislation, and that is to meet a real difficulty which has existed for years past, especially in the West, in connection with the live stock industry.

Mr. PUGSLEY: You do not limit it to the West.

Sir THOMAS WHITE: I do not think it advisable that any legislation we pass here should be limited to any particular section of the Dominion. On the last revision of the Bank Act, and I think in some preceding revisions, this question has been raised on behalf of those engaged in the livestock industry. It has been pointed out, as the hon. member for Simcoe (Mr. Currie) has stated, the manufacturer, great or small, can go to a bank and by a simple form of hypothecation of his product, under section 88 of the present Bank Act, obtain advances. That hypothecation constitutes a secret lien. I have myself always been of the opinion that Parliament should hesitate, unless on public grounds of the greatest importance, to extend that principle of the secret lien. But, on the other hand, we must remember that the great industry of this country to-day is agriculture, that we are asking the farmers to increase their production, and that it is our bounden duty to make such laws as will promote such production, that is to say, provided that the public interest otherwise is not seriously affected or injured. Until

last year it was impossible for the farmer engaged in the raising of live stock to hypothecate or pledge his live stock to a bank and obtain advances on it. Last year, in response to most urgent solicitation on the part of the western live stock raisers, I introduced legislation under which the farmer can give a chattel mortgage or bill of sale upon his livestock. We desire to respect the laws of the provinces, because most of the provinces have desired that, in the case of a lien being taken upon personal property, notice should be given to the public through registration, and there is on the statute books of most of the provinces provision for such registration. The difficulty, therefore, with which we were confronted last year was how to permit the farmer to hypothecate or pledge his livestock and give a security and at the same time afford notice to the public that the security had been given. We thought then that the way out of the difficulty was to enable the banks to loan upon chattel mortgage just the same as an individual can loan upon chattel mortgage, and that the chattel mortgage so taken should be registered in accordance with the provincial laws. It seemed to me last year that it was the only way in which the Dominion could meet the situation, because it was not within the power of the Dominion to compel provincial officers charged under the legislation of the several provinces with the duty of registering bills of sale and chattel mortgages, to register a simple form of assignment such as we now propose in accordance with the laws of the province. Therefore, we enacted that the bank might take a chattel mortgage upon live stock, and that the chattel mortgage should be registered in accordance with the laws of the several provinces. That is where the matter rested. But it has been pointed out to me, not by the banks but by the livestock raisers, that the farmers do not like to give chattel mortgages—the very words "chattel mortgage" seem to cast some doubt upon their credit.

Mr. PUGSLEY: Nobody likes that.

Sir THOMAS WHITE: They do not like to give a chattel mortgage, and it is further pointed out that it costs the farmer a substantial fee to have a chattel mortgage drawn. It is a lawyer's work, and there is also a fee for having it registered in accordance with the laws of the province.

Mr. GERMAN: No more than this will be.

[Sir Thomas White.]

Sir THOMAS WHITE: I disagree with my hon. friend. Therefore I believe that some of the provinces will be quite willing that these liens should be taken and should not be registered. They will not fear that the ordinary creditors will suffer. They believe that the livestock industry is of such importance that the men raising livestock should have the right to hypothecate or pledge their stock in the same way as a manufacturer is to-day empowered to pledge his manufactured product. Let us assume that in New Brunswick it was considered inadvisable that the farmer should have the right to give a secret lien upon his livestock. Then, under this law, the legislature of that province could authorize the officers who now are authorized to receive and file chattel mortgages and bills of sale, to receive and file this assignment, and if that was not done in accordance with that legislation of the province, then the assignment would be null and void as against creditors or subsequent purchasers for valuable consideration. On the other hand, let us say that in Alberta, the Legislature was content that the farmer should have the right to give this assignment of his live stock to the bank and that such assignment need not be registered, then the province would allow this Act to operate without bringing in such legislation.

The hon. member for St. John (Mr. Pugsley) has, however, raised a question which did appeal to me and which I am quite willing to have considered when the matter is before the Banking and Commerce Committee, and that is as to whether or not the Act should immediately become operative. I feel that it would be a mistake, although my mind is open to conviction, to enact that it should not come into effect until after the provinces have passed this legislation to which I have referred, because then the matter would not be advanced very much further than it is at present.

The assignment would then be taken in lieu of chattel mortgage, and would be filed in the ordinary way. I do think, however, that there is a good deal to be said for the view that the Act should go into operation on a date to be named, the legislatures of the several provinces being enabled in the meantime to enact, if they so desire, legislation to compel the registration of the assignments taken under this measure. I have brought this Bill in, as I did the Bill of last year, to meet the urgent requirements of the farming community, especially of the West, engaged in the raising of live stock. I should like the

Banking and Commerce Committee to hear the parties interested; they will then be able to reach a better conclusion than we can reach by discussing the matter here. The live stock industry is a great industry in Canada, and we look forward to a much greater development of it. One of the chief complaints made against our banking system by the raisers of live stock throughout Canada is the lack of simple means of getting bank credit readily upon almost the best kind of security. Live stock raisers and manufacturers are engaged in raising or producing something that they require not for their own needs, but for sale in the markets of the world. In order to carry on business of either kind, it is absolutely necessary that there should be facilities for credit, and it is to meet that situation that this Bill is introduced. I should have hesitated to introduce it at this session, in the midst of the war, if I had not believed that it was highly desirable and in the interests of the live stock industry, which especially at this time we are endeavouring to promote and increase. If in the view of the Banking and Commerce Committee a strong case is made against proceeding with the Bill, personally I should be disposed to pay a great deal of regard to that opinion. I should like, however, in the interests of the live stock industry, the matter to go to the Banking and Commerce Committee, and there be considered on its merits.

Mr. MOLLOY: The only thing wrong with the legislation proposed is that it does not go far enough. The banks should be permitted to lend money to the farmer on his live stock without taking either mortgage or assignment. Last year in the district in which I live a sale of eight or nine thousand sheep was advertised. A great many men who had previously been grain farmers only wished to purchase a number of those sheep. Upon going to the bank, they were told that they could have the money, but would have to give a chattel mortgage on whatever stock they bought. As a consequence, they did not buy. Two persons whom I have in mind, however, did purchase the stock, misapprehending what the bank had told them. When they came to make settlement simply by giving a note for the amount borrowed, as they had done that year and many years before, they were told that they
4 p.m. had to give a chattel mortgage. The result was that the savings which they had put aside in the bank for operations in 1917 were drawn out and used to pay the amount of the purchase of the live stock. These men will be obliged now to borrow on their note from the bank in order to carry on operations this year. The farmer will not purchase live stock and give the bank a chattel mortgage, paying them, as one farmer said, from $8 to $10 to be advertised. I shall certainly support this legislation, but I repeat that it does not go far enough. Any man who is a bona fide settler and a worthy citizen should be able to borrow from a bank $1,000, $1,500, even $5,000, for the purchase of live stock. The banks will not lose, because they never lend money to anyone unless they expect to get it back with good interest.

Mr. McCOIG: I believe that the banks should lend money to the farmers for the purchase of stock, as is proposed, especially in this particular year. The farmers would buy a great deal of the stock that is on the market in the province of Ontario if they could get the money to purchase. But they protest against giving a chattel mortgage and advertising themselves, when they are endeavouring to do what is in the best interests of the country and of their own industry. The idea of the Bill, I believe, is to place the bank in the same position as the manufacturer when he disposes of his machines. The manufacturer has a lien on the machines that he sells; the bank has a lien on the stock which is purchased by the money which the farmer borrows. If I understand the Bill rightly, I am heartily in accord with the proposed legislation and should be glad to see it passed. I believe that it would have a very good effect upon the live stock industry of Canada.

Mr. CURRIE: This is one of the most important pieces of banking legislation yet offered to the House. The one great obstacle to successful farming in Canada is lack of credit. That obstacle has been largely overcome in Europe by the establishment of rural credit banks, and the United States is endeavouring to overcome the difficulty in the same way. There is no reason why the farmer, in regard to his product, should not be in the same position as the manufacturer, because, in a sense, the farmer is a manufacturer. Ninety-nine per cent of the farmers are honest, and will pay their debts. Failures among farmers are less numerous than among manufacturers. When the farmer wants a comparatively small amount of money he is up against the loan shark. Suppose a farmer who has a good deal of live stock, but is short of feed, wants to buy feed to tide him

over the spring months. He goes to the bank for $100. As he has nothing to offer in the way of security, the bank sends him to an attorney, or a gentleman who lends money. This gentleman takes the farmer's note for $125 at the legal rate of interest, and a chattel mortgage, which is duly filed. The result is injurious to the farmer, who is not given a fair chance; many prosperous farmers have been ruined by the methods employed by loan sharks. If a farmer is out of debt and has good credit he should be able to finance his business the same as any merchant does. If he has a surplus of wheat which is of bad grade, as many western farmers have, he should be able to get money from the bank to buy hogs or cattle to which he can feed that stuff and make from 50 to 100 per cent on the money in a short time. The bank is secured, because it has a first lien on the property, just as it has on logs that are going through the sawmill. It is able to get all necessary information about the farmer's standing and his prospects of success. The farmer needs this legislation very badly.

The quantity of stock in the country is diminishing. Take a man who has a large farm and a large number of stock, and who, through no fault of his, has a crop failure. At present he is either compelled to sacrifice his stock or to borrow money from a loan shark at ruinous interest rates. Why should such a man not be able, on the security of one or more head of cattle, to borrow money from a bank so that he may be able to carry over his stock? In Kansas and other Western States several banks have been formed for that purpose, and they show the greatest expansion and success of any monetary institutions in the United States; in fact, they have been so successful that they are able to lend to farmers who have plenty of feed, money to buy stock, and after the feed is fed to the cattle, the banks still look after the farmers, and the latter are able to make lots of money and to get rid of the middleman in their banking just as they are trying to get rid of the middleman in their buying and selling. This is the most valuable banking legislation that has been brought before this House, and those who are making money drawing up chattel mortgages, and the loan sharks who are lending at fifteen per cent interest are not going to prevent this legislation from becoming law. Had I my way, I would not send this legislation to the provinces; this House can legislate on banking without any preference to the provinces. This is good legislation and it will enable the farmer to get rid of a great deal of stuff which is now going to waste around his farm.

Mr. D. D McKENZIE (North Cape Breton): I am not opposed to the farmer having every opportunity of borrowing money, but I think it is objectionable to create machinery that will enable people to borrow money from a bank and that at the same time will be different from any other methods of borrowing. If the Minister of Finance will give the banks power to lend money on such security as is mentioned in this resolution, letting them take such security as may be in compliance with the laws of the different provinces in which the banks are doing business, I think he is going as far as he can be expected to go, and I do not see any necessity for going any further. I understand the deficiency in the Bank Act was that banks were not permitted to lend money on security of this character. That being the case, of course, there is a handicap, but this legislation removes that disability and says to the bank: If your directors and managers are willing to lend money on security of this character, you have authority to do so, taking such security as you may deem advisable, subject to the laws of the province in which you are doing business. That is as far as we ought to be asked to go, and we should not be creating any machinery that will put the bank in a superior position to a private individual who may have money to lend. My hon. friend from North Simcoe (Mr. Currie) speaks of loan sharks. There may be such people, but there are other people who are honest, who have money to lend and who sometimes are willing to lend it out at a lower rate of interest than the banks. If a man who has a few thousand dollars in his possession is willing to lend it on security of this kind to a farmer, why should a bank have a private lien so that it is put in a superior position to the private individual? I think we are creating unnecessary difficulties. Banks are well equipped to do business. Their directors and managers are the very best men they can secure; they have the best legal advice obtainable, and if they have power to lend money on this class of security, that is all they should ask from this Parliament. They should bear the burden of looking after the security and complying with forms and proceedings just as other businesses in the various provinces must do. I am strenuously opposed to going any further than that. If you place an execu-

tion in the hands of a sheriff in any province of Canada, that sheriff, if he is a careful man, may go to the registrar and see if there is anything on record against the personal property of the man against whom the execution is issued. If there is nothing against the property, he has no excuse for not levying. but under this legislation, if it goes into force, there may be a private lien, and a man may go through the whole process of the sheriff's sale and the whole thing may be abortive because the sheriff could not give title, because there was no title in the man against whom he had the excution. This private lien renders the whole thing abortive. After the wool has gone through the factory and has been cut and tailored into a coat, it may turn out that the bank has a lien on the wool and a man may have his coat taken off his back because he had no title in it. This is most extraordinary legislation. I am not at all claiming that the minister has no power to compel or to ask the officers in the different provinces to file this lien, I will point him to a similar case in a different way; the registrar of deeds is under no greater obligation to the Department of Railways and Canals than he is to the Department of Finance, but if the Department of Railways and Canals wishes to take over land in the province of Nova Scotia, the engineer makes a plan of that land under Dominion legislation; he goes into the office of the registrar of deeds; that officer takes it; and puts it on record, and he in a way vests the title to that land in the Crown as represented by the Department of Railways. That is because the taking over of this land and the filing of the plan are incidental to the building of the railway. If the minister makes taking security on personal property an incident of banking,—and we have absolute power to deal with banking—I see no reason why the same argument would not apply, and when a man presents that authority from the Department of Finance, under legislation passed by this Parliament, I see no reason why an officer of any province would not be obliged to put it on record just as he is obliged to put on record the plan that comes to him from the Department of Railways.

Mr. CURRIE: The hon. gentleman knows it is a rule of banking that there is a difference between taking security on productive property and non-productive property. Non-productive property is personal property such as jewels, furniture, and that sort of thing, and a chattel mortgage is required in order to borrow money on it; but for productive property, such as cattle, that increase in value by being fed, I cannot see any difference between that and say logs, or pig iron, or raw lumber, and I think this legislation is along the right lines. A distinction is made by foreign banks which will not lend on jewels, furniture, or anything of that kind.

Mr. McKENZIE: The hon. gentleman had no occasion to interrupt me because I knew before what he told me. All that I ask is that the banks should look after themselves as to the kind of security they will take, and all that we are called upon to do is to authorize them to take such security, and, upon such security, lend money if they are willing. In the particular part of the province of Nova Scotia from which I come no substantial farmer has any difficulty in getting the money he requires. Of course we have no large cattle ranches such as exist in the West where such legislation would be serviceable.

As far as publicity of the form of security taken is concerned, there should be no discrimination in favour of the bank. If the minister comes to the conclusion that he cannot force the officers to put this form of security on record, this legislation should not go through at all, and the banks should be left to take security in any such form as they deem advisable, after consultation with their legal advisers.

Mr. TURRIFF: What is the opinion of the farmers' organizations with regard to this legislation?

Sir THOMAS WHITE: I believe they are in favour of it. Speaking from memory, the matter was first brought to my attention by the United Farmers of Alberta. My hon. friend will pardon me, I hope, if I first reply briefly to the hon. member for North Cape Breton. I think he is probably correct in stating that the Dominion Government could designate a provincial official as the party to file the form of assignment provided for in banking legislation. The matter, however, does not rest there. In the legislation of the several provinces there are usually additional safeguards thrown around chattel mortgage transactions. In some of the provinces, for instance, it is provided that there must be an affidavit of bona fides, and filing must take place within a certain number of days. In some of the provinces it may be the clerk of the county court who receives and files the chattel mortgages, and in others a different officer. I hope my hon. friend

will take it from me that we have considered that phase of the matter very fully, and that there are very great difficulties indeed in the way of drafting Dominion legislation providing for the registration of an assignment such as is provided for in this legislation, if it is to be in accord with the legislation of the several provinces. This matter has been given the best consideration by the farmers, I believe, and especially by the representatives of the banks at Winnipeg, who have had frequent conferences with the farmers, and who desire to promote as far as possible the livestock industry. I shall be very glad to have all these matters most carefully considered when the Bill is before the Banking and Commerce Committee. I do not want to be responsible for legislation that will do any harm to creditors, but I do think that our legislation must be more and more advanced as the country itself advances. I think that what were regarded as necessary safeguards to the public, say a few years ago, may be unnecessary to-day, having regard to the changed conditions in agriculture and in business. The farmer will more and more get into the habit of doing his business with the bankers, and paying his grocery and other bills by cheque, just as business men do; in other words, farming will become more and more a business. We must not conclude that what has been true of the past must necessarily be true of the future. I think our legislation must take a step forward from time to time to meet the changed conditions, if the country is going to do its utmost along the line of agricultural development.

Let me point out what happened two or three years ago. At that time banks, while they could loan on warehouse receipts, could not make a loan to the farmer upon a pledge of the grain on his farm. We introduced legislation, first of all for one year,—I think it was introduced in 1915—under which a farmer having grain upon his premises could pledge it to the bank, just as a manufacturer can pledge his product to the bank. The question was raised at that time. What about the farmer's creditors, what about purchasers of value without consideration? Precisely the same questions that are raised to-day were raised then. However, we enacted the legislation, first for one year, and afterwards permanently, and so far as I know no untoward results have followed; I have had no complaints from any creditors that they have been defrauded by the farmers. The legislation seems to have worked out satisfactorily, and as a result the farmers have been securing loans on grain which had not left their farm, and on which they could not obtain loans previously. The banker naturally has to protect himself. When he can get a lien upon grain he will make a loan that otherwise he would not make for fear the farmer might sell the grain or some other creditor seize it. Under the legislation that was passed at that time it would be fraudulent, and consequently criminal, for the farmer to dispose of his grain in violation of his pledge. What is the difference between that and live stock? The grain farmer can pledge his grain to the bank, but at present the live stock farmer cannot pledge live stock, and the question is, shall he be allowed to do so? This Bill will enable him to do so. But we are so solicitous of the rights and so regardful of the policy of the several legislatures of Canada, knowing as we do that most of them have placed chattel mortgage legislation upon their statute books, that we provide that if the legislatures of the several provinces, or any of them, enact that this lien shall be registered by the officers in that province whose duty it is to register chattel mortgages and bills of sale, then this security must be registered, and if it is not so registered it becomes null and void. That is the intention and effect of this measure.

Mr. TURRIFF: I have no doubt that the legislation may accomplish some good, although to my mind there are some very serious objections to it. I think it is undesirable to give the banks a preferred position over other creditors. This legislation will accomplish some good, no doubt, but I do not think the Government is going about it in the right way. We have heard a great deal of late years about credit for the farmers of the West, and the local governments have undertaken to find cheaper money for the farmer in the way of farm loans. In the three prairie provinces the legislatures have made arrangements to provide farmers with money at actual cost plus the cost of administration, thereby cutting out all profit. That is going to be a boon to the farmers. What they need more particularly at this time is a bank credit for short term loans, and it seems to me that that is purely a matter of banking, though it will never be accomplished by the present chartered banks. Our banks have branches all over the country. A young fellow will go from Ottawa,

say, to take charge of a branch bank in the West. He understands banking all right but he knows nothing about farming and the raising of stock, and besides he is hampered by hard-and-fast rules from the head office. I think the time has come when the Dominion Government ought to do something in the way of assisting to establish farmers' banks throughout the country from which farmers could get short term loans. But I would point out to the minister that if that were done it would be absolutely necessary to protect these farmers' banks from the chartered banks. For there is no doubt that if a bank were started for the purpose of doing only this business with the farmer, it would be only a small bank, something along the line of the state banks in the United States; and if it were not protected in some way, so that its securities could be re-discounted, it would be an easy matter for the chartered banks to do with it exactly as they do now with any new bank which starts in a small way—they make it almost impossible for that bank to succeed. So, while this legislation may be all right, while it may be a step in advance, I do not know that it is at all a solution of the problem of short term banking credit for the farmer. While it is too late, I suppose, to attempt anything in this way this session, I would suggest to the minister that the matter should be looked into between now and next session with a view to evolving some system by which small banks may be established to supply the necessary credit for the farmers in their ordinary business, particularly for the very important object for which this Bill is introduced—to enable the farmer to buy stock, feed it, and sell it again. In many cases in the West a farmer will have a good deal of poor wheat which cannot be sold to advantage, but if he is in a position to buy cattle, hogs, or sheep, and feed this grain, he may be able to make more money out of it than if he sold a crop of first-class wheat. So, while this legislation is all right, I think it is not a solution of the question, and I would urge the minister to consider the whole subject between now and next session.

Mr. MORPHY: I congratulate the Finance Minister (Sir Thomas White) on having taken a step in advance in this matter. As I understand it, this law will enable farmers to be assisted to meet conditions that probably no bank, particularly in the province of Ontario, would help him to meet. The chartered banks will have the power to advance money by way of warehouse receipt or assignment, to take a first lien, without registration of any kind. Here is a Bill that gives to the farmer an advantage that he has not had before in any province of Canada under the Bank Act, viz., the power to borrow money from the bank upon chattels upon which the bank heretofore could not loan.

Mr. PUGSLEY: The bank could loan on this security under the legislation of last year.

Mr. MORPHY: Not in the way now proposed by this Bill. The whole question, to my mind, comes to this: If the provinces wish to aid the farmers they will bring their legislation into line with what this Bill provides, especially under section 17. That is to say, the province may enact a law that will compel the bank to register the assignment under this Act in case of a loan to a farmer upon his live stock. I think this is a clear advantage and benefit to the farmer.

Mr. GERMAN: Wherein would the farmer be better off if an assignment had to be registered than he would be if a chattel mortgage had to be registered?

Mr. MORPHY: It is less expensive, for one thing.

Mr. GERMAN: No.

Mr. MORPHY: Absolutely so, I think—

Mr. PUGSLEY: What does it cost to register a chattel mortgage in Ontario?

Mr. MORPHY: Fifty cents.

Mr. PUGSLEY: It costs only ten cents in New Brunswick.

Mr. MORPHY: Then, the assignment is drawn for nothing—

Mr. PUGSLEY: There is no expense in it now.

Mr. MORPHY: Are the lawyers drawing these documents for nothing?

Mr. PUGSLEY: They have a form—

Mr. MORPHY: The banks do not take chances by drawing such documents in their offices, but depend upon their legal advisers. A chattel mortgage costs from four dollars to six dollars, according to its length.

Sir THOMAS WHITE: And more in the West.

Mr. MORPHY: I speak of what it is in the larger centres; I do not know what it is in the West. This Bill is not for the benefit of large ranchers alone. We have thousands of farmers who cannot to-day

borrow a dollar on their livestock without too much expense for the small sum involved. The result is that the curb broker gets the benefit in large rates of interest. There is one feature of the Bill that, it occurred to me, should be considered. If there is no registration, it will be a serious thing in the case of farmers having different bank accounts. While farmers, as a class, are extremely honest, once in a while one crops up who is not above attempting a fraud, and, unless there is protection for the lending bank, he may deal with two or three banks. So, I think there should be some provision for filing.

Mr. PUGSLEY: That is exactly what we have been saying. My hon. friend from North Simcoe (Mr. Currie) would give the impression that this legislation would be a panacea, that under it the farmer will get all the money he wants from the bank. I do not believe that at all. To-day the bank that is prepared to loan to a farmer bases its loan upon personal credit rather than anything else. While the banks have regard to the prosperity of the farmer, they consider particularly his reputation for honesty and industry. We ought to be very careful when we seek to alter, as we now propose to do, the provincial laws with regard to a bill of sale. We must avoid interfering with the farmer getting credit in other directions. It is very important for the farmer in my own province, and I suppose the same is true elsewhere, to be able to get credit with others besides the banks. The man who buys stock from another farmer often gives his note for the stock. He needs credit with the storekepeer for flour, sugar, clothing, and other articles. If people know that a law has been brought into force under which a lien may be given to the banks without notice, I am afraid it will have the effect of curtailing the farmer's credit among other people from whom it is necessary for him to borrow in order to get along comfortably. The Minister of Finance is making a law which may be of benefit to the large farmers, but he does not confine it to this class but makes it apply to even the smallest farmers anywhere in Canada.

The minister himself recognizes by his Bill that it is desirable to give notice because he says: after the provincial legislatures have made provision for the filing of the mortgage—

Sir THOMAS WHITE: " If " and "after."

Mr. PUGSLEY: But it is the filing of a mortgage not in the form the legislature provides, but in the form the minister provides.

Sir THOMAS WHITE: Read the Bill.

Mr. PUGSLEY: I have read the Bill. The schedule is the form of mortgage. It is a little bit shorter and cheaper than the ordinary form of chattel mortgage which the legislatures have provided for. The banks, I suppose, will keep printed forms of this mortgage.

Sir THOMAS WHITE: It will be cheaper than the ordinary chattel mortgage.

Mr. PUGSLEY: Perhaps it will cost fifty cents or a dollar less. But the bank could keep a form of the printed chattel mortgage, as it could keep the form of this mortgage, and the expense would be very little less. I have no objection to the form of chattel mortgage that the minister proposes to adopt. It is perhaps simpler and a little bit cheaper than the form the legislatures have adopted. But what I do object to is that under the proposed legislation adopting this particular form of chattel mortgage these secret liens can be given and bona fide securities seriously affected. If the minister would change that and provide that in any province where legislation along the lines suggested has not been passed the present law should prevail I think it would be all right.

But let me refer to the suggestion of my hon. friend from Assiniboia (Mr. Turriff) as to what the minister must do to confer a real benefit upon the farmers; that is the introduction of a Bill providing for the establishment of farmers' banks. That is the way in which relief could be given. The minister stated at the last session of Parliament that the Government were earnestly thinking of this question. I think this might be an opportune time for the minister to tell us what has been the result of that thinking in which the Government were then engaged and if during the present session the Government will be prepared to submit to Parliament a Bill for the creation of farmers' banks. That has been done in the United States and it has accomplished wonders. It has greatly increased the production of the farmers. It is enabling them to get credit at a low rate of interest and they are buying agricultural machinery and stock and developing their farms and the result is proving enormously beneficial not only to the farmers alone but to the people generally.

Mr. CURRIE: Where is that?

Mr. PUGSLEY: In the United States.

Mr. CURRIE: It has just been in force about six months.

Mr. PUGSLEY: I beg my hon. friend's pardon. I am familiar with what has been going on there and I can tell my hon. friend that as a result of that legislation the farmers are enlarging their production enormously. That is a way in which the Government could confer a great benefit on the farmers, but I doubt very much if they will be able to do it by this law allowing these secret liens. It may result in the farmers being deprived of credit rather than enabling them to get additional credit at the banks.

Resolution reported, read the second time and agreed to.

Sir THOMAS WHITE introduced Bill No. 65, to amend the Bank Act.

Motion agreed to and the Bill read the first time.

RUMOURED POLITICAL DEADLOCK.

On the Orders of the Day:

Mr. MICHAEL CLARK (Red Deer): I should like, with your permission, to address a question to my right hon. friend the Prime Minister (Sir Robert Borden) based on what I conceive to be two most important items in the morning paper. The first of these is one in which we all take great pride and it is to the effect that the Canadians at the front have taken an important place in the neighbourhood of Lens, marching through a shell-swept area as if they were engaged in manoeuvres. The second item that I conceive to be of importance is that in certain other operations nearer home than France—which, I hope, I shall not be offensive in designating as manoeuvres—there is a deadlock existing. The question I desire to address to my right hon. friend I address partly as one of the unambitious rank and file of this House and in some degree on behalf of an anxious, waiting, and expectant public, and, I think as well, in some degree on behalf of the men at the front. The question I wish to put is: Has my right hon. friend any communication to impart to the country or to the House as to whether this deadlock is likely to come to an end one way or another within a reasonable period of time? I suppose all deadlocks end some time, somehow, but I am perfectly sure that there is a great desire that this one should end one way or the other within a reasonable period of time.

Right Hon. Sir ROBERT BORDEN (Prime Minister): I should be glad indeed to give my hon. friend (Mr. Clark), the House, and the country any information that was available but I hope he will regard me as not in the least wanting in respect for him, or in the desire to give all information possible, when I say that there is not at the present time any announcement to make.

PURCHASE OF CHEESE BY THE BRITISH GOVERNMENT.

STATEMENT BY THE MINISTER OF AGRICULTURE.

Hon. MARTIN BURRELL (Minister of Agriculture): Mr. Speaker, there has also been a little deadlock in regard to the matter of the purchase of cheese by the Imperial Government and perhaps I might make a statement on that matter because last week when unfortunately I was not able to be present in the House the hon. member for Glengarry (Mr. McMillan) made a statement which was substantially correct and I think my hon. friend from Russell (Mr. Murphy) also put a question to the House which was answered by my right hon. friend the Prime Minister (Sir Robert Borden) who, I noticed, in reading Hansard, stated that I would give further information if I had it. If you will permit me, I would like to give a very short review of the situation without which the present condition would not be very intelligible.

Last autumn the British authorities communicated with the Canadian Government with the idea of seeing whether it would be possible for them, in some manner or other, to secure the whole exportable surplus of Canadian cheese. We pointed out that as it was the close of the season it would be practically impossible to do anything and that if they did wish to achieve anything in that way another season it would be very desirable to commence in January or February when the Government here felt it would be quite feasible to make some arrangement which would be satisfactory all round.

Nothing of that kind, however, was done in January and February, and meanwhile the British authorities had commandeered, through the New Zealand Government, the whole of the New Zealand cheese output at a price of 19 cents f.o.b. In March, through the Prime Minister, who was then in England, there was a suggestion that we should secure the whole of the Canadian cheese output for this year by a process of com-

mandeering. The Government, after thoroughly considering the whole matter, advised the Prime Minister and through him the Imperial Government, that we did not consider a process of commandeering cheese would be a very satisfactory method in regard to Canada, whose conditions were entirely different from those in New Zealand. We pointed out that New Zealand operated through a limited number of factories which were all not only manufacturing agencies but selling agencies as well, and that this system was an entire contrast to that in this country, where we have 3,000 factories and where the whole trade is done through cheese buyers and an organized trade. Therefore we said it would not be practicable to commandeer the cheese. Some correspondence went on by cable, and it was then suggested that a commission should be appointed, on which the British authorities would have one representative, with the idea of carrying out the suggestion we had made, namely that in any arrangement to secure the whole cheese production of Canada on satisfactory terms it would be desirable to operate through all the existing trade channels that had carried on their business from time immemorial here. As a result of that, a commission of three was finally appointed. The British authorities appointed Mr. James McGowan, and informed us by cable that he was sailing for Canada. It was quite obvious that nothing could be done until that commissioner arrived from England. Speaking from memory, I think he did not arrive until the middle or end of April. Meantime the cheese market in Canada had opened, and though there was no heavy demand, as not much cheese was being manufactured, yet the maximum price that had been fixed in England permitted a condition to exist which allowed competitive bidding on this side for the small business that was offered, at a price even in excess of that at last fall, and far in excess of the price at which the New Zealand output had been secured for the Imperial Government. Meantime the shipping problem was also growing very acute, and somewhat later the British authorities practically ceased permitting any space to be taken up by Canadian cheese from Canadian ports. There were reports that American and Canadian cheese was going by British and United States ships through American ports, and I think it probable that to some extent these reports were true. At all events, we advised the British authorities of those reports.

[Mr. Burrell.]

It is not necessary for me to say—because every member who has farmers engaged in the dairy business in his constituency has probably had many letters—that all manufacturers of cheese and cheese buyers were by this time, well on in May, becoming very uneasy for one or two reasons. They were uneasy as to whether it would be practicable to get rid of their cheese at all if no space was to be given to it, and they were also uneasy as to the price, th market was fluctuating, one day it was 26 and 27 cents and later down to 20 cents simply because there was only a nominal market, and the whole situation was uncertain and vexing. They were beginning to store cheese; storage space was being filled up; they did not know whether to manufacture to a large extent, and in short no one knew where he stood. I would say, in regard to the Commission and its relations with the Government, because there has been a lot of misconception, that obviously this Government could not be responsible for the price the Imperial authorities might be disposed to or could offer for Canadian cheese. It was our idea, so far as the Commission was concerned, to advance the legitimate interests of the cheese producers of this country and to facilitate the action of, and help the British authorities by arranging the very complicated conditions in regard to the purchase of a commodity like cheese in this country in order that it might all be done with the least possible friction and the greatest possible advantage to both Canada and Great Britain.

Then quite recently it was stated that the British authorities had decided to commandeer all cheese, whether from the United States, or Canada, or Australia, or New Zealand, or any other point, directly it arrived at British ports, and that they had changed their maximum price and were now putting on the market for civilian use, cheese at such a price as would permit it to be retailed at about 16 pence a pound, and naturally there was practically a suspension of business in this country, and nobody knew exactly what was going to be done.

May I assure the House that, in so far as this Government is concerned, every single fact connected with the whole matter has been placed in the fullest possible way before the British authorities, and we have taken this ground, that while we conceive it to be our duty as patriotic and loyal Canadians to assist the Mother Country in every possible way to get those food supplies which are so vital to Great Britain

at this time, it was also our duty to conserve, so far as we could on right lines, every legitimate and fair interest of the producers of this country, and we wanted to achieve, if possible, both those objects. We pointed out also that if so low a price as 19 cents was likely to be fixed by the British authorities for Canadian cheese, they must not overlook the fact that in the case of such a commodity a very low price would simply result in the diversion of the raw material for cheese to other forms of manufacture that might be more profitable, and although the British Government might get all the cheese manufactured for whatever price they paid, because there was practically no other market, there was still the question of the amount produced, as with too low a price, the manufacturers would divert the raw material to other uses. We pointed out all of these things in the fullest way; we showed that our conditions were not like those in New Zealand, and that our trade conditions called for entirely different treatment. I understand that the British commissioner has now been advised by the Imperial authorities that he is authorized to do some buying at once in order to relieve the deadlock which has existed for some time past, and in this connection may I add that I have been particularly pressing upon the British authorities the vital necessity of making some move at once to relieve the congestion which existed, and to end the uncertainty which was practically paralyzing the whole business. As a result of this, I understand that the British commissioner has been authorized to go out and buy for a time at a price of 21¾ cents f.o.b., Montreal, which, if not as satisfactory as some of our cheese manufacturers hoped, is at least more satisfactory than the New Zealand price and is about 2 cents better to the factory than the average price of last year. Whether that condition will improve after a time, I am not in a position to say. I wanted to make this statement to the House in order to assure the members that, so far as we are concerned, absolutely no stone has been left unturned, not only to assist the British Government, but in every legitimate way, to protect the Canadian producer.

Mr. PUGSLEY: The Minister of Agriculture has given us a very interesting statement of the conditions surrounding the purchase of Canadian cheese. Was the question of the purchase of food supplies by the British Government one of the subjects dealt with, or was it under the control of the Imperial War Cabinet?

Sir ROBERT BORDEN: The question of food supplies was one of very great interest, but, so far as executive action was concerned, it was dealt with more particularly in a departmental way by conferences with the Board of Trade and, in the matter of transportation, with the Minister of Shipping. The proposals to which the Minister of Agriculture has referred were conveyed to us by a committee under the direction of the Board of Trade. At the request of that committee I transmitted those proposals to the Government here, in order that they, being in touch with the local situation, might give them such consideration as would be possible.

JUDGES ACT AMENDMENT.

On motion of Hon. C. J. Doherty (Minister of Justice), the House went into Committee, Mr. Rainville in the Chair, to consider the following proposed resolution:

That it is expedient to amend the Judges Act to provide for the salary of an additional judge of the Supreme Court of Saskatchewan, $6,000 per annum, and to provide for the salary of an additional junior judge of the County Court in Ontario, $3,000 per annum; to amend section eighteen of the said Act by providing that a judge who is appointed or assigned to a district for the exercise of his ordinary jurisdiction therein and required by law at the time of his appointment to reside within that district shall not be entitled to travelling allowances incurred or made necessary by reason of his residing at any place outside of the district to which he is so appointed or assigned, unless his residence at that place be authorized or approved by the Governor in Council; and to make the provisions of subsections two, three, four and five of section twenty-eight apply to the Judges of the Circuit Court of Montreal.

Mr. DOHERTY: The Bill which it is proposed to found upon this resolution is rendered necessary, so far as its first two dispositions are concerned, by recent legislation of the provinces of Saskatchewan and Ontario. The legislature of the province of Saskatchewan has made provision for an additional judge of the Supreme Court of that province, and in compliance with that legislation it is necessary that we should amend our Judges Act. A couple of years ago the legislature of Saskatchewan remodelled the judicial system of the province by constituting two courts, a Court of Appeals and a Supreme Court. If that legislation, which was to have come into force by proclamation, had been made effective, the appointment of four additional judges would have been neces-

5 p.m.

sary. The provincial authorities, however, seemed to have altered their view, and have recently legislated providing for this additional judge of the Supreme Court. The additional county court judge in the province of Ontario is in the Timiskaming district, a new and growing district where the business has been increasing to such an extent that it has been found necessary to make provision for a junior judge.

Mr. PROULX: I understand that the appointment has been made.

Mr. DOHERTY: Yes. The salaries are not appropriated by the statute to individual judges. There happened to be vacancies, so that a salary was available and the need was so pressing that it was thought better to let some other vacancy stand and make an appointment to that particular district. The necessity of a judge in that district, therefore, requires us to provide for seventy-four county court judges instead of seventy-three.

The first of the other provisions of the resolution is to provide that judges who at the time of their appointment are by law called upon to reside within the particular judicial district to which they are assigned shall not be entitled to travelling allowances if their places of residence is changed subsequently to their appointment, unless the change is approved by the Governor in Council. This is to enable the Government to have some control over the rapidly increasing expenditure in the way of travelling allowances to judges, resulting from the fact that in some provinces the legislatures have changed the residences of the judges, removing them in many instances from places situate within their respective judicial districts to places considered more convenient.

The legislative power to fix a judge's residence, I think, indisputably rests with the legislature, but the fixing of salaries and of travelling allowances rests with this Parliament, and it has seemed to us that it would be well that the Government should not find itself in a position of having imposed upon it very considerable additional financial burdens merely because the legislature, for one reason or another, thinks proper to change the residence of a judge. We do not propose to say that in no such case shall the judge who has his residence so changed, have his travelling allowances, but we provide merely that he shall not have them unless that change of residence is approved by the Governor General in Council.

The last provision which the Bill contains, which is also one that would not have required a resolution, is to bring the judges of the circuit court of Montreal under the provisions applicable to county court judges throughout the country with regard to the procedure that may be required in the way of inquiry where complaints are made against judges. The present position is that the circuit court judges find themselves neither in the position of high court judges and therefore removable only by the Houses of Parliament, nor in the position of county court judges, of being removable by the Governor in Council after proper inquiry by means of a commission. We think they should be in one class or the other, and it is proposed to amend the law to assimilate their position to that of county court judges generally.

Mr. KYTE: I regret very much that the Minister of Justice has not been able to take up the question of the readjustment of salaries of county court judges in the province of Nova Scotia. This matter has been brought to his attention on several occasions by hon. members representing that province, and while from time to time legislation has been introduced which has resulted in increasing the salaries of judges elsewhere—although I may say that no general increase has been given—it is to be regretted that the minister has been unable to give some attention to this matter. We have in Nova Scotia a state of affairs that is very different from that which exists in Ontario. I observe that in this resolution there is a provision for the salary of $3,000 per annum for a junior county court judge in that province. I understand that in that province county court judges are in the enjoyment of certain perquisites which flow from other offices which they are permitted to hold. That is not the case in Nova Scotia, where a county court judge is limited entirely to the salary which he receives on his appointment. From time to time demands have been made from all classes of the Civil Service of this country for increases of salaries to meet the increased cost of living that has prevailed throughout this country for some years. I might say truthfully that the county court judge is about the only one enjoying a salary as low as $3,000 whose needs in that respect have not received some attention. The Minister of Finance proposes,

in the course of a few days, to introduce legislation in this House for the purpose of increasing, substantially, I hope, the salaries of certain civil servants who belong to the Inside Service. It is also proposed by the Minister of Finance to provide in the Supplementary Estimates for an increase of salary to certain civil servants who are attached to the Outside Service. I can not understand why judges of the county court in Nova Scotia, whose salaries are by no means in keeping with the cost of living in that province, are not to receive some consideration. They are all gentlemen who, when they accepted their appointments, abandoned legal practices very much more remunerative than the salaries which they now receive. I speak more particularly of the county court judge who resides in the city of Sydney and who is the judge for the district comprised by the counties of Richmond, Cape Breton and Victoria. He has a very extensive criminal jurisdiction. In the city of Sydney his time is taken up almost every day in the year in hearing matters that do not properly fall to the adjudication of a county court judge elsewhere in the Dominion. We have no resident Supreme Court judge in the Island of Cape Breton, and the consequence has been to enlarge the jurisdiction of the county court judge as Master of the Supreme Court, so that his time is at least half taken up in adjudicating matters that in other sections of Dominion are dealt with by Supreme Court judges. I do not wish to make a special plea for the gentleman who discharges so efficiently and satisfactorily the duty of county court judge in the city of Sydney; my argument is equally applicable to all the other county court judges in the province of Nova Scotia. The Minister of Justice has always been good enough, when this matter has been called to his attention, to give us an assurance that it would be considered by him and that he hoped to be able to submit a comprehensive scheme to deal with all those judges who are suffering from the same grievance as are the judges of Nova Scotia. I again remind the Minister of Justice that judges of the county courts of my province are in a vastly different position from that of county court judges in Ontario, and I cannot quite understand why the minister is unable to deal with the situation in Nova Scotia, because he has been unable to formulate a comprehensive scheme to deal with county court judges in Ontario. The latter enjoy special perquisites from other offices they are authorized to hold, and, therefore, their position is not such an appealing one as that of the Nova Scotia County Court judges.

Mr. MARCIL: How will this legislation affect superior court judges in Quebec? A large number of judges who seem to have been appointed for outside judicial districts reside in the city of Quebec or in the city of Montreal.

Mr. DOHERTY: This legislation does not purport to be retroactive.

Mr. MARCIL: It will apply only to new appointments?

Mr. DOHERTY: It will apply only to the future, but its purpose is, at all events, to withdraw the temptation from a judge to seek to have the legislature move his residence outside of his own judicial district, which temptation is afforded by the fact that when he is moved out by the legislature, then, under the law as it stands at the present time, this Government finds itself obliged to pay him travelling allowance every time he goes to that particular district to which, by the statute of the province and by his commission, he is assigned. Recent events would justify one in saying that the power of the legislature in one of the provinces, at all events, to change the judges' residences has been exercised without any regard to the fact that by those changes they were imposing this additional financial responsibility upon this Government, and I may say that was done notwithstanding the fact that before their action was taken such result was pointed out to them.

Mr. MARCIL: Has the minister made a calculation of what this additional cost has been to the treasury as regards Quebec?

Mr. DOHERTY: I have not made a detailed calculation, but I was very much struck with the figures, which quite recently were brought to my attention, of the amount paid in the course of a year in the way of travelling expenses to three or four of the judges with regard to whom the questions was asked, and that rather went to strengthen the impression made upon my mind by the legislation last session of the Quebec Legislature.

Changes were then made in the place of residence of not less than three judges of the Superior Court, centering them in the city of Quebec. Before that was done I was communicated with by the Attorney General of the province, and I felt that I had to concede that the legislature of the province had the right to determine the

residence of the judges, but I pointed out that unless there were some major reason in connection with facilitating the administration of justice, weight ought to be given to the consideration that by this moving of judges they were adding to the expenditures of this Government in the way of travelling allowances. That representation does not seem to have carried weight, and the fact of the enactment of the legislation I refer to makes it, I think, quite clear that this Government should place itself in position to have some control over this expenditure. If, to-day, a legislature chooses to say that a judge shall live a thousand miles from the place where he exercises his functions, it automatically imposes upon this Government the obligation of paying the travelling expenses of that judge every time he goes up and down, and paying him also a living allowance while he is in the district in which his duties are performed.

Mr. BARNARD: I should like to say a word or two along the same line as my hon. friend from Richmond (Mr. Kyte) with regard to the salaries of the county judges in the province of British Columbia, and in doing so I would point out to the Minister of Justice, that not only do the county court judges in that province do the great majority of the criminal work of British Columbia, but their civil jurisdiction is also very considerably greater than the civil jurisdiction of the county judges of the province of Ontario. They have jurisdiction in contract cases up to $1,000 and in equitable jurisdiction and jurisdiction in court to an amount not exceeding $2,500, which I think is considerably greater than the province of Ontario. In addition to that the province of British Columbia has taken the stand quite rightly I think, that it is no part of their business to pay any portion of the salaries of the judges, that the judges' salaries should be wholly provided for by the Federal Government. The result is that they have refused to give anything in the shape of Surrogate Court fees or other perquisites to the county judges. In the larger cities, such as Vancouver and Victoria, and I am speaking more particularly of Vancouver, there are three county judges who sit continuously, except in vacation, from Monday morning to Friday afternoon. To expect a man to do that work efficiently, to keep up the dignity of his position, and live in a large city like Vancouver or Victoria on a salary of $3,000 a year, is I think unfair and unreasonable, and I submit that the minister would do well to take into consideration the whole question of the salaries of county judges. If Ontario chooses to put its County Court judges in a more favourable position than those of any other province, I suppose that is a matter that rests with the province of Ontario, but it certainly does not excuse this Government from paying a proper salary to the other county court judges throughout the Dominion who are doing just as important work.

Mr. McKENZIE: Of course this is an old story, for we have been talking to the minister about this matter for some years. I understand that a delegation of county court judges from Nova Scotia waited on the minister some four or five years ago, and I remember the minister telling me in conversaation after he had met that delegation, that he hoped to evolve some scheme which would satisfy to some extent the demands made by the judges. I am sorry the minister has not been able to carry out what he then intended, but I suppose he has had some good reason. I am not familiar with the salaries and conditions surrounding the office of county court judges in the provinces of Ontario and Quebec. I know something about the situation in Ontario, but nothing at all about the situation in Quebec, and as the hon. member for Richmond has pointed out, conditions in the province of Ontario in regard to county court judges are quite different from conditions in the province of Nova Scotia, and I think the minister should give some attention to the conditions in the province of Nova Scotia apart from the reflex influence which his action might have on some of the other provinces of the Dominion. In the first place the minister will find that the administration of that branch of the law is very much cheaper in the province of Nova Scotia than in any other province in the Dominion, by reason of the smaller number of judges. I understand that in Ontario there are two judges to each county. In Nova Scotia we have only seven judges to eighteen counties, which shows that when the province was divided up into districts care was taken to give a reasonably large territory and a reasonably large amount of work to each judge. Our judges in the province of Nova Scotia have a great deal of work to do. As the hon. member for Richmond has pointed out, we have no Supreme Court judges anywhere in the province of Nova Scotia except in the city of Halifax, and the legislature of the province have conferred wide jurisdiction upon the county court judges to enable them to

perform a great deal of the work of a Supreme Court judge. If there is any difficulty about the setting aside of pleadings, of any contests of that kind, in districts remote from Halifax or in any part of the Island of Cape Breton, these cases, no matter how big the issue, are fought out before the county court judge. In the county of Cape Breton there is a very large foreign population, and I regret to say that for the last ten years the criminal business of that county has been simply enormous. Seventy-five per cent of that criminal business is dealt with by the county court judge, and handled very satisfactorily. Every one has such implicit confidence in his integrity and in his power to deal with these matters that except in extreme cases where he has no jurisdiction all these cases are tried before him. So that my hon. friend from Richmond was putting it mildly when he said that the county court judge was engaged on these cases perhaps half his time every day; as a matter of fact he is engaged every day in the week with no let up at all, and he is paid the very small salary of $3,000 a year. There is no part of Canada that has been more expensive to live in during the last four or five years, or since the price of foodstuffs began to go up so rapidly, than the city of Sydney, and I am sure that what may be said of the cost of living in Sydney is equally true of the other six districts of the province of Nova Scotia. As has been pointed out by the hon. member for Richmond—and it is not necessary to tell the minister this—there are certain things expected of a man who occupies the position of a county judge. He is the first citizen of his locality; everybody so regards him; and he must live up to what is expected of him. I submit that it is the duty of the State, when it puts a man in the position to administer justice, to place him beyond temptation so far as money is concerned, independent in every respect, and able to maintain the dignity of his position. That, in some cases, the judges are not able to do on the meagre salaries paid them. It would not involve a very serious expenditure to grant a substantial increase to the judges of the Dominion, much less would it be serious if something were done to put these men in a position to be comfortable and to live in comformity with what is expected of them.

Mr. BURNHAM: I object on principle to a spirit which seems to pervade the life of this country. The hon. member for North Cape Breton (Mr. McKenzie) seems to regard it as necessary that there should be a fictitious glamour about the position of a judge. This is really not the case. It is the integrity and learning of the judge which carries conviction to the hearts of the people, not that he is able to put on a certain amount of style, not that he is able to wear purple and fine linen, or play cards, or use high class wines. I do not wish to play the demagogue in this matter, but I think this principle should be asserted. If we desire to make use of the education which we have received, which has continued from the very earliest times in history, let us make use of it. We find from year to year that there is an inclination on the part of the authorities to decorate. This system of decoration in itself carries no conviction, and we know it. Therefore, it should be cut out.

Mr. McKENZIE: I would say on behalf of the judges, that they would be willing to forego the decorations if they got decent salaries.

Mr. BURNHAM: And I say for the county court judges that they would not sell themselves for mere lucre, let alone the decorations. The man fit to be made a county court judge is a man with a high sense of duty. And it should be considered that there is such a thing as duty to the State. Let such a man be provided with a salary sufficient to keep the wolf from the door and to educate his children in a manner commensurate with a standard of life which we approve of. It should not be dangled before his eyes as well, as before the eyes of the great proletariat, that there is something so stupidly self-seeking about our lives that we cannot get away from it—this self-interest, this inclination forever to have as much money as we possibly can get. The idea that there should be a certain mock solemnity, about a judge means that a judge is to be regarded as the people of an African tribe regard their medicine man. That reminds me of a yarn I read in a book the other day, about a man who carried such great weight with the natives of Africa that he was able to go from tribe to tribe without a guard. And the reason was that he could take his teeth out and put them back again. Are we never to get out of this way of regarding our public life? Are we never to understand and realize that we have some duty to the state, some duty to humanity, outside of these miserable little things?

Mr. MARCIL: Would the minister explain the position with regard to the Circuit Court judges of Montreal?

Mr. DOHERTY: As the position now stands the Circuit Court judges of that particular court are neither in the same position as the County Court judges nor in the same position as the Superior Court judges with regard to their removability. The proposition of this Bill is to assimilate their position in that regard to the position of the county court judges throughout the country, and to place the Government in a position where, should the question arise, the Government will be able to deal with the judge of this particular court in the same way in which it is now in a position to deal with the County Court judges generally.

Resolution reported and agreed to.

Mr. DOHERTY thereupon moved to introduced Bill No. 66 to amend the Judges' Act.

Motion agreed to and Bill read the first time.

CUSTOMS ACT AMENDMENT.

House in Committee to consider the following proposed resolution, Mr. Rainville in the Chair:

1. That it is expedient to declare that the Customs Laws have applied and do apply to the Crown.

2. That it is expedient to amend the Customs Act by inserting the following section immediately after section two hundred and thirteen thereof:—

"213A. If any imported goods seized in any building within one hundred yards from the frontier between Canada and any foreign country are forfeited according to law, such building shall also be seized and forfeited, and shall be forthwith taken down and removed."
—Mr. Reid.

Mr. REID: The object of this legislation is to place on the statute book a provision that goods imported by the Crown shall be liable to duty the same as goods brought in by a private importer. We have been collecting duties on goods imported by the Crown for some years.

Mr. MACDONALD: Does my hon. friend mean the Crown in the right of the Imperial Parliament, the Dominion Parliament or the Provincial Parliament?

Mr. REID: I mean goods imported by Canada and not goods imported by the Crown in the right of the Imperial Government. Imperial importations are exempt under the Customs Act.

[Mr. Burnham.]

Mr. PUGSLEY Does raw material, which the Imperial Munitions Board may bring in for the manufacture of fuse, pay duty?

Mr. REID: If it is imported for, and in the name of the British Government, it does not pay duty but if an article is imported to be manufactured by a private individual for the Imperial Government the duty is paid and we refund 99 per cent of it to the manufacturer the same as is done with regard to the duty on all other material imported and manufactured for export.

Mr. PUGSLEY: The Munitions Board, I understand, have established a factory for the manufacture of fuses and it is necessary to import large quantities of raw material. Does that raw material pay duty to the Canadian customs or will it under this law?

Mr. REID: They would pay duty if they were manufacturing for use in Canada, but if they were manufacturing for overseas, or for the British Government, they would get a refund of the duty, or they would not be liable for duty.

Mr. PUGSLEY: Do they pay duty and get a refund or does it come in free?

Mr. REID: They get a refund.

Mr. PUGSLEY: Then they do pay it?

Mr. REID: They pay duty and get a refund.

Mr. MACDONALD: It is the same as with another importer?

Mr. REID: The same as with any other importer. If the Imperial Government owned an industry in this country and manufactured goods for their own use, or if they bring in goods for their war vessels, say, at Halifax, and they are delivered to the British Government they do not pay duty. That is mentioned in the Customs Act.

Mr. PUGSLEY: I understand that the Munitions Board are simply the agents of the Imperial Government and I speak of them because large quantities of material must be brought in. I understand the Minister to say that they pay duty on the goods and that the duty is refunded when the goods are manufactured and exported.

Mr. REID: The Imperial Munitions Board have industries in Canada that are manufacturing for them, and one case that came before me was that in which there was an industry manufacturing large quantities of explosives. The goods would come in and pay duty and the manufacturer would get a refund. We have assisted some

of these manufacturers where the duties were very large by placing a customs officer in charge of the industry.

Mr. MACDONALD: In the making of shells the Imperial Munitions Board are really the agents of the Imperial Government. They have imported from the United States large quantities of steel which have gone to Canadian manufacturers to be turned into shells. Do these articles pay duty and is a refund made just the same as in the case of any other importer who manufactures the goods imported and exports the product?

Mr. REID: If the Imperial Munitions Board imported steel for the use of the Imperial Government it would come in free under the tariff.

Mr. PUGSLEY: Does the Munitions Board have to bring it in in the name of the British Government?

Mr. REID: It is really the British Government, and they import it in the name of, and for, the British Government. We give them that right and we place a customs officer in an industry to see that the goods are all exported after they are manufactured into shells.

Mr. PUGSLEY: What is the object of compelling the Crown in the right of the Canadian Government to pay customs duties if the revenue received is simply taken out of the treasury and paid to the Customs Department?

Mr. REID: It does not increase the customs duties because we are collecting duties now and we have been doing so for some years.

Mr. PUGSLEY: Illegally?

Mr. REID: It is said illegally.

Mr. PUGSLEY: Who said illegally?

Mr. REID: There has been a question raised as to whether goods coming in—

Mr. PUGSLEY: This is to remove doubts?

Mr. REID: To remove doubts. It does not increase the receipts of the customs in so far as goods imported by the Crown are concerned, for the reason that we have been collecting duty on goods imported by the Crown for some years. But a question has arisen as to whether the Crown in the right of Canada would have the right to collect duty. Therefore, to remove that doubt we are mentioning the Crown in the Act the same as we do any other importer under the tariff.

Mr. MACDONALD: The Crown would not be affected by the Act unless it was especially named. I was under the impression that some years ago an Act was passed which provided that in the case of certain departments, the Militia Department for instance, duties were to be collected on articles imported by them. Is there not some statute on the subject now?

Mr. REID: I remember the circumstance. Prior to the time that the hon. gentleman mentions, goods imported by the Crown came in free. But the trouble there was that some people were importing goods, such as American goods, and adding the duties, and there was the possibility of irregularities occurring. At that time the Government decided that in future duties must be collected on all goods whether imported by the Crown or not, and they simply notified the Customs and all other departments that they were to collect these duties in future. Although that order was given there was no Act on the statute book stating that the Crown must pay duty.

Mr. PUGSLEY: What has emphasized the necessity for this?

Mr. REID: The question has arisen because some of the provincial Governments took issue on the question as to whether goods imported by the Crown were dutiable. For that reason we feel that it would be better to place it in the statute so as to remove any doubt in the future.

Mr. PUGSLEY: This is intended to apply to the Crown as represented by provincial governments?

Mr. REID: Or the Dominion. That is the main object for this Bill.

Mr. MACDONALD: Does my hon. friend intend that goods imported by a provincial government, that is by the Crown in right of the province, will pay duty?

Mr. REID: I say they have always paid duty since Confederation.

Mr. MACDONALD: That is more a matter of practice, but has there been any law? The original idea in regard to the status of provincial legislature, as a lawyer knows, was that the Crown was not represented there. But I think the principle is also good that no Statute applies to the Crown unless the Crown is specifically mentioned. Why does my hon. friend want to have this legislation? What is the reason for it? Is it simply confirming the usage?

Mr. REID: The local Governments have always paid duty since Confederation, and

some of them now claim that they should not have to pay. As the question has arisen whether the Crown should pay duty, the Government—

Mr. PUGSLEY: Would that not be provided at the time of Confederation?

Mr. REID: At all events we see no reason why we should not place it on the statutes. It can do no harm, even if it does no good.

Mr. PUGSLEY: Why, if there has been no question?

Mr. REID: There has been a question.

Mr. PUGSLEY: The minister said that the provinces always paid on their importations. That has gone on for the fifty years of Confederation. I think it is in the British North America Act that the Crown as represented by the provinces must pay customs duties, because the right to collect duties was by that Act transferred to the Dominion Parliament. The minister says there has never been any question so far as the Dominion is concerned in respect to paying duties. It seems to me a little mysterious that this legislation should be introduced. Perhaps this is to cover the case of the open door on the island in the St. Lawrence where vast quantities of goods were brought in in the night free of duty, ostensibly for the Militia Department.

Mr. REID: I thought I had explained the matter. I say that the provincial governments have been paying duty since Confederation, but some of the provinces have raised the issue.

Mr. PUGSLEY: Which province?

Mr. REID: I cannot say, I think that two have taken issue.

Mr. PUGSLEY: Will the minister give any information which provinces?

Mr. REID: Manitoba is one, and I think Quebec. I do not know whether there is another or not. But these two at least have claimed that goods imported by the provincial governments should not pay duty, and the Justice Department took the position that probably we had better put an Act through making all goods imported for the Crown liable for duty.

Mr. MACDONALD: Am I correct in stating that there was some legislation on this subject some ten years ago? I have a recollection of some discussion on the subject when Sir Charles Fitzpatrick was Minister of Justice.

[Mr. Reid.]

Mr. REID: There was nothing on the Statutes. I have taken it up with the Justice Department and the Customs Department. There is nothing to show that goods imported by the Crown shall be dutiable. I think it was done by orders given to the several departments that goods imported by them must in future pay duty. But this question has been raised by some of the provincial governments, and the Justice Department—

Mr. MACDONALD: Is there any litigation pending about it?

Mr. REID: They ask for litigation.

Mr. PUGSLEY: Would not the minister think that he would accomplish his object if he said that goods imported for the Crown as represented by the Dominion or provincial governments shall be liable to duty the same as if imported by the ordinary individual? But to say as the minister does in this resolution, that the customs laws have applied—to make it retroactive—and do apply to the Crown, strikes me as peculiar, because it is the Crown that is imposing the customs law. The words are not applicable to what my hon. friend wants to accomplish, that is that goods imported by the Crown shall be liable to customs duty the same as those imported by private individuals.

Mr. REID: The Bill that I have prepared provides:

> The rates and duties of customs imposed by this Act or the Customs Tariff or any other law relating to the Customs, as well as the rates and duties of customs heretofore imposed by any Customs Act or Customs Tariff or any law relating to the Customs enacted and in force at any time since the 1st day of July, 1867, shall be binding and are declared and shall be deemed to have been always binding upon and payable by His Majesty, in respect of any goods which may be hereafter or have been heretofore imported by or for His Majesty, whether in the right of His Majesty's Government of Canada or His Majesty's Government of any Province of Canada, and whether or not the goods so imported belonged at the time of importation to His Majesty—

And so on.

Mr. PUGSLEY: That is mighty different from the resolution.

Mr. MACDONALD: Does my hon. friend think it a sound principle, if an issue has been raised by the Crown as represented by a provincial government or in the right of a provincial government as to the right of this Government to collect duties on things imported by the provincial governments, to come in with legislation retroactive in its character and declare that to

be the law which is not the law? I submit that we in this Parliament should not lightly enter upon any policy which would involve retroactive legislation, taking away any rights or creating any impositions or anything of that kind where the law did not permit of their existing before, and more particularly where we are dealing with another jurisdiction which, within its own powers, is as supreme and definite as the Federal one is in its jurisdiction. I do not think that legislation of that kind is right. Such legislation, before being submitted by the House, ought to be considered by a committee. The provinces affected ought to be notified and ought to have an opportunity of making representations, and Parliament should have an opportunity of hearing their views. In other words, we in this Parliament are assuming the right to impose upon another fully developed and constituted jurisdiction in this country exactions which were not provided for in the Confederation Act. We have come to the conclusion that it was not intended that these powers should be conferred by that Act and we are seeking to secure them in a retroactive way, without notice to these other jurisdictions. My hon. friend's legislation might be considered if it related to the future only, but it is a very serious proposition in its retroactive features. I think my hon. friend will be well advised to leave the legislation in committee until the authorities of the provinces which will be affected are given an opportunity to make representations.

Sir ROBERT BORDEN: Although I do not know very much of this matter, I understand from what has been said by the minister that it has been the universal practice since Confederation to receive payment of duties on goods imported into Canada by the Crown in the right of a provincial government. There has been no exception to that, as far as I know. Under the late administration, if I am not mistaken, it was questioned once or twice, but nothing happened; the duties were imposed and were paid. About ten years ago it was regarded as a wise course to insist on the payment of duties upon goods imported by any department of Government in the right of the Crown, and that has been carried out. It is desired, in the first place, to give effect to that course by declaration that it is sanctioned by the law. It would, of course, be quite incongruous that the Crown in the right of the Dominion should be paying duties on imported goods, while the Crown in the right of the provinces should not; or that the right to impose such duties should be questionable in the latter case when a universal practice sanctioned by law had been established in the case of goods imported by the Crown in the right of the Dominion. So it was thought best to sanction by this declaration a practice which has been uniformly carried out in the case of the provinces ever since Confederation, and, in the case of goods imported for the Dominion during the past ten years. The policy adopted by the late Government in that regard has been carried out by the present Administration since it assumed the reins of office. Further, it would seem undesirable that there should be general liberty on the part of the provincial administrations to import goods for all purposes free of duty, because it might—I do not say that it would—easily lead to abuse of that power. As we limit ourselves here, therefore, by the same restriction which we think should be applied to the provincial governments in the case of the importation of goods, it does not seem that there is any legitimate cause for complaint against the making of this declaration.

Mr. PUGSLEY: Have the provinces made any claim for refund of duties? How did the matter come up?

Mr. REID: At least two of the provinces have raised the question, suggesting that they did not think they should pay the duty.

Mr. PUGSLEY: Did they demand a refund?

Mr. REID: They asked that the goods be allowed to come in free of duty. They claimed that under the British North America Act they were not required to pay duties on anything that they imported.

Mr. PUGSLEY: If under the British North America Act they are not required to pay, how could we provide otherwise? We could not amend the Act.

Sir ROBERT BORDEN: We are not amending it. If any provision under the British North America Act applies to the case, the provinces will still be free to assert it, notwithstanding the passage of this legislation.

Mr. MACDONALD: I suggest that the Minister let the matter stand until after six o'clock, when he will let us know what provinces are affected. I am strongly of the opinion that a statute regarding this

matter was passed about ten years ago in respect of the Militia Department.

At six o'clock, the committee took recess.

After Recess.

The Committee resumed at eight o'clock, Mr. Rainville in the chair.

Mr. GRAHAM: This resolution is, of course, retroactive?

Mr. REID: Yes.

Mr. GRAHAM: On general principles, is that good legislation?

Mr. REID: As the hon. member was not in the House this afternoon when this matter was under discussion, I will explain it to him. The object of the resolution is that goods imported by the Crown shall be liable to customs duties, the same as goods imported by any private individual. Up to this date there has been on the statute books no provision that goods imported by the Crown are liable to duty, although duties have been collected for eight or ten years. I have not the exact date when the Customs Department was instructed by the Government to collect duties on goods imported by the several departments. Since Confederation duties have been collected on all goods imported by provincial Governments. In 1909 the then Nova Scotia Government took exception to the right of the Dominion Government to collect duties on goods imported by the provincial government, and the Dominion Government of that day took issue with the provincial government, and the matter dropped, no further action being taken.

Sir ROBERT BORDEN: Were the duties paid?

Mr. REID: The duties were paid at that time and thereafter, not only by the Nova Scotia Government, but by all the other provincial Governments. The Commissioner of Customs informs me that the Minister of Customs at that time brought the matter up in Council; that the Prime Minister of the day, now leader of the Opposition, agreed with his view, and that they took the ground that the position taken by the Nova Scotia Government was not in accordance with their interpretation of the law. The matter rested until 1916, when the province of Quebec raised the same issue as the province of Nova Scotia had raised, but I took the same ground as that taken by my predecessor, and no further action was taken by the Quebec Government. Later on the Government of Manitoba took the same position, and only a month or two ago the Alberta Government also brought up the matter, so that the situation has become a little acute in regard to arriving at a final decision as to what should be done. Section 125 of the British North America Act reads:—

> No lands or property belonging to Canada or any province shall be liable to taxation.

I took the matter up with the Department of Justice, and as the matter, no doubt, will go before the several courts of the country and the Privy Council for final decision, the Department of Justice advised me that I should have the statute amended so that goods imported by the Crown as represented, not only by the Dominion Government, but by the provincial governments, should be liable to payment of duty. They advised me that it should be declared that the matter is in the same position as it has been since Confederation, so that if the case came before the courts and it was decided that the position taken by the provinces was not justified, there would not be any possibility of a claim for the duties which have been collected from Confederation up to the present time. The Department of Justice also advised me that this amendment does not affect any rights in any other way than I have mentioned.

Mr. MACDONALD: In introducing this resolution my hon. friend has precipitated a very interesting constitutional point; and not in any political sense other than what is best as a matter of policy, I would like to point out how important it is that the House should give the matter serious consideration. During past years, and probably more particularly recently than at any other time, the provincial governments, in dealing with the particular agricultural matters under their control, have imported thoroughbred stock of various kinds for the improvement of livestock.

Mr. REID: Thoroughbred stock comes in free.

Mr. MACDONALD: Thoroughbred stock comes in free if imported for particular purposes, I assume. There are, however, other matters which pertain particularly to the functions of the provincial governments in dealing with matters, under the British North America Act, come under their care, and for the development of which they may be compelled to go abroad for the purpose of getting machinery or other articles necessary. As I said, speaking before recess, it

seems to me that, under the old principle of law that the Crown is not affected by any legislation unless the Crown is particularly named, the right of the province to be free from taxation on importations, would be conceded.

Then there is section 125 of the British North America Act, which my hon. friend quoted, and which especially declares that no lands or property of the Crown, of Canada, or of the provinces, shall be liable to taxation. Now, unquestionably the tariff is a tax, and that being so, the proposition of my hon. friend to bring the property of the different provinces within the purview of the Customs Act is a subversion of the section to that extent. It seems to me that the advisability of a policy of this kind is worthy of the most careful consideration of the House. My hon. friend tells us that as a matter of practice this property has always been taxed in the past. I lay aside for the moment the consideration of the question of taxation of property of the Imperial Government, or of the Federal Government, because that does not seem to be in contemplation by the Act. I doubt the wisdom of the Federal Parliament entering upon a policy which involves taxation of the provincial governments through the tariff. If, as a matter of fact, the four older provinces of the Dominion did not in the earlier days have very heavy importations for this Government to tax, that does not prove anything in regard to the policy of the country. In the newer portions of the Dominion the provinces are entering upon lines of policy which involve importations. For instance, I think all the western provinces are engaged in operating a Government-owned telephone, and the tendency in certain of our provinces is undoubtedly along the line of Government operation of public utilities. The material used in the operation of these utilities has of necessity to be imported in some cases. So the question is becoming more and more important every day, and though we are here dealing only with the resolution—my hon. friend will later introduce a Bill—I would suggest to him the advisability of looking into this section very carefully, and I should like to hear from the Minister of Justice as to the constitutionality of legislation of this kind.

In the next place, while my hon. friend speaks of the Bill as being merely declaratory in its character, it is undoubtedly retroactive. While it merely purports to say that a certain thing has been the law, it seems to me that that is going a very long way, and although I have not given the deliberation to this question that I should like to give as a lawyer, I do not think my hon. friend should go so far as to declare that a certain thing has been the law. It is really retroactive legislation that my hon. friend is attempting to put on the statute book.

There is this third consideration which is worthy of attention. The province of Manitoba, according to my hon. friend, has raised the question whether they are liable to taxation on certain importations they have made recently, and the question of the right of the Customs Department to impose that taxation is now before the courts, or will be shortly. I submit that it is a matter of sound policy that this Parliament should not, as against provincial authority, undertake to declare what the law is in a question which is now sub judice, or which will shortly form the subject of litigation before the courts. It is only in the most extreme cases that Parliament or any legislative body should interfere in pending legislation. Having regard to the constitutional aspect involved, and the possible consequences, I think my hon. friend should hesitate before taking the position he does. Having regard to the development by the provincial governments of their operation of public utilities—and this subject has been under frequent discussion in the Railway Committee for a great many days—I submit that this resolution with all its ramifications is well worthy of the attention of hon. gentlemen before we should enter upon a policy which might give rise to grave constitutional questions as to our right to tax the provinces.

Mr. DOHERTY: As to the policy of imposing taxation upon property that may be imported by or for provincial governments I do not know that I desire to enter into a discussion of that at the present time. The fact would seem to be that though the Customs Act does not appear to specifically mention the Crown, everybody has understood that its provisions apply to the Crown in regard to its right to tax the provinces as well as everybody else, and so far as it is a question of policy in the carrying out of the Act all the successive governments of Canada, as I understand it, have acted upon the policy of collecting duties on importations by the provinces, just as on importations made by other people. With one or two exceptions the provinces all seem to have acquiesced in

the view that the customs taxation did apply to them so it is not a question of entering upon a new policy of imposing duties upon the importations of the provinces, for that is the policy which has been consistently followed since Confederation.

The hon. member has referred to this legislation as being retroactive, and has further suggested that there is something unconstitutional in it by reason of section 125 of the British North America Act. The latter of those two questions is precisely the one which the provinces raise, their contention being that Parliament is without power to impose taxation upon them. I need not say that this legislation will not affect their rights in that regard in any degree. If Parliament is without power to impose taxation upon the importation of provincial governments, then the fact that we enact this legislation will not give us that power; we cannot lift ourselves by our own boot-straps, and the purpose of this legislation is not to endeavour to do that at all. It is necessitated by the fact that whether this Parliament has the power or not, the Customs Act, not having specifically mentioned the Crown on the principle which the hon. gentlemen mentioned, it might be open to any province to-day seeking to invoke exemption to claim that, even though it turned out that this pretension that Parliament had no right by reason of section 125 to impose customs duties were entirely unfounded, nevertheless, it should succeed on what might fairly be described as the purely technical ground, that Parliament had not as a matter of fact specified the Crown, and that even if it had the power it had not exercised that power. Now the purpose of this legislation is to anticipate the raising of that question, which so far as I know has never been raised.

The contention, so far as I know, has not been based upon that oversight in the legislation. It raises the broad question whether Parliament can impose custom duties upon the importations by the Crown in right of the provinces. Now, as I have said, no legislation of ours will affect the law upon the question of our power to impose these duties upon the property of the Crown. The full effect of this proposed legislation, if adopted, will be to put out of the way what, it seems to me may properly under the circumstances be described as the technical question, whether the provinces can escape merely because the Crown was not mentioned in the statute. It will enable us, if we go into Court, to go upon the real, substantial question, which is, whether Parliament can or cannot levy customs duties on the importations of these provinces, and to fight it out upon that real, substantial question, not leaving us exposed to the raising of this other pretension which, so far as I am aware, never has been raised, and which is purely technical, but which would prevent, possibly, our obtaining any decision upon the broad question. Now, that broad question is one that it is important to have determined. Whatever may be the policy of Parliament, now or at any time, upon the exercise of the power, it certainly is a matter of importance to have it made clear whether that power exists or not, and it is purely that power on the part of Parliament that is challenged by the province of Manitoba. Under these circumstances, it seems to me that we ought to set the law in such a condition that any issue that might be raised would turn upon this substantial question. As I have said, I am not aware that any of the provinces has based any claim upon the absence of mention of the Crown in the Customs Act, but on our part, as a matter of prudence, it seems to us wiser that we should make impossible the raising of that question, so that we may have the real, substantial issue alone dealt with.

Mr. PUGSLEY: It seems to me that it is unnecessary to pass this legislation in order to have the essential question raised. So far as the statement of the minister goes, there is nothing to indicate that a special case could not be raised under which the right to levy taxation by way of customs duties could be determined. It is extremely objectionable to enact retroactive legislation. It is contrary to natural justice and contrary to sound principle, and ought never to be resorted to unless to cure some grave injustice. That is the sound principle by which this Parliament ought to be guided. This is not a case in which the retroactive principle is used to right any grave wrong. When Parliament enacts retroactive legislation, that fact is always appealed to as a precedent by those who desire further legislation of the same character. Some time in the future, legislation of a retroactive character will be proposed, and the fact may be cited that in 1917 this Parliament declared in favour of such legislation. The minister says that none of the provinces have raised this question as to whether Parliament did impose taxation upon goods imported by the province. I suppose that in the past the question has not been very important; the duties levied

have not been very great, and it has not been worth while for the province to raise the question. But, if they have wrongfully paid duties, then as between the provinces and the Dominion, they are entitled to get these duties refunded, and I do not think that Parliament ought to enact legislation which would take away that right of the provinces to a refund, no matter what the amount The minister says that the legal right of the provinces may rest upon two grounds—first, that this Parliament had no power to impose the taxation, and, second, that this Parliament has not actually imposed the taxation in that it did not include the Crown in right of the provinces, nor, of course, in right of the Dominion. And now the minister says that, for fear that the provinces, if they fail upon one ground may proceed upon the other, we are to take away the legal right which possibly they have—which we fear they have—to demand back payments from us. Ought that to be done? Have they a right to the refund of that money? If they have the right on the ground that Parliament has not imposed the taxation, and that the duties have been paid by mistake, then, it seems to me, Parliament has no right to take away whatever claim they may have to the refund of that money. If the provinces wish to raise the claim that this Parliament has no power to impose taxes upon the Crown in the right of the provinces, they will insist upon their right to bring in goods free of duty, and the Customs Department will resist; and that will raise the question, which question can be decided by the courts. There is therefore no need for retroactive legislation, and no need to take away the legal rights of the provinces, if they have any—and if they have no legal rights in the matter, this legislation is quite superfluous. But, if this measure is to be considered, the provinces should have notice of it, and should have the option of being heard before the Government or before a committee of this House. I believe that the point is well taken by my hon. friend from Pictou (Mr. Macdonald) that retroactive legislation is at all times objectionable, and should never be resorted to unless to relieve some grave injustice. No necessity for legislation has been shown in this case.

Sir ROBERT BORDEN: Perhaps we could pass the resolution and have the Bill introduced, and the observations of my hon. friend (Mr. Pugsley) can be taken into consideration.

Resolution reported, read the second time and agreed to.

Mr. REID introduced Bill No. 67, to amend the Customs Act.

Motion agreed to and Bill read the first time.

SUPPLY.

IMPERIAL MUNITIONS BOARD AND ORGANIZED LABOUR.

On motion of Sir Robert Borden for the House to go into Committee of Supply.

Mr. G. W. KYTE (Richmond, N.S.): Mr. Speaker, before you leave the Chair, I desire to direct the attention of the Government to certain grievances that organized labour in this country appears to have against the Munitions Board. At a meeting held in the city of Ottawa within the last few days, certain statements of fact have been disclosed which would seem to indicate that the Munitions Board is not treating organized labour with the consideration which, under the circumstances and conditions that exist to-day, it ought to be treated. The substantial grievances which the labour men allege are as follows:

"1—Violation of sanitary requirements — gross negligence in regard to the protection of the health of the workers, in camp and plant construction.

"2—Lowering the wage standards already established in different sections of the Dominion.

"3—Elimination of the eight-hour day and the introduction of the 10, 12 and 14-hour day, and seven-day week.

"4—The unnecessary dilution of labour by the introduction of female labour, before proper steps have been taken to utilize available skilled mechanics.

"5—Where dilution has occurred no general effort has been made to maintain the same standard wages as received by the men.

"6—Substitution of cheap, semi-skilled labour from rural districts for construction work, because of their willingness to accept less than the trades union rates.

"7—A declared policy of refusing to recognize trades union representatives in determining the wages and hours on contracts let by them.

"8—Challenging trades union officials to obtain reasonable conditions by use of their organized power instead of through negotiations which would result in strikes.

"The unanimous conclusion was reached that the time had arrived for the re-organization of this board on the basis of equal representation of labour with the employing interests."

This is the list of complaints which organized labour has against the Munitions Board at the present time. It is of the utmost importance that harmony between the Munitions Board and organized labour should exist. Since the outbreak of the war a very large number of munition

plants have been established in Canada in which large sums of money have been expended for the purpose of supplying such munitions of war as are required by the allied countries. The rate of wages, it would appear, has not been kept up in proportion to the profits which have been obtained by the manufacturers of munitions. We do know that since the outbreak of the war this has been an extremely profitable industry to those who were fortunate enough to be able to engage in it. The question of adequate remuneration to those engaged in munition plants is certainly one that ought to receive the consideration of the Munitions Board and which, if not dealt with by them, should receive the attention of the Government. In all works under the supervision of the Government, for instance, all contracts that are let by the Public Works Department, there is a fair wage schedule which is a part of the contract. Under that fair wage schedule those who are employed on public works are entitled to a fair remuneration for their services. No distinction ought to be made between the relations existing between the Munitions Board and the Government than between the Public Works Department and the Government. Fair remuneration ought to be allowed those who are employed in munition works and reasonable hours of labour ought to be determined as constituting a day's work in that employment.

The reasonableness of the complaints which have been made by organized labour, it seems to me, will appeal to every hon. member of this House. The first one has reference particularly to the sanitary requirements which ought to be provided in these munition plants. I cannot understand how the Munitions Board could refuse to give ear to any fair representations that might be made by the labouring people with respect to that matter. It is certainly not one about which there should be any controversy if a substantial complaint is made on behalf of those people and it does appear to me that there is no reason why some such action should not be taken for the purpose of removing the grievances in that respect. I shall not go over in detail all the matters that have been referred to, the list of which I read at the beginning of my observations, and I shall do nothing further than impress upon the Government the desirability of having some action taken by the Munitions Board which will result in substantially meeting the complaints which are alleged by the representatives of labour. At this time it would appear to be desirable that the large body of our population who have enrolled themselves within the ranks of organized labour should receive a reasonable hearing and every substantial ground of complaint ought to be remedied.

With respect to the particular grievance that arises out of the employment of women in these munition plants, I do not assume that organized labour has any special objection to the employment of women provided it is not made the subject of competition in the matter of wages between the men and women who are employed. If women are able to perform the work that is required of them in these munition plants, I see no reason why they ought not to be employed. On the contrary I believe their service ought to be encouraged but their employment ought not to be considered a ground for reducing the remuneration of men employed in these plants. It may be argued that the demands made upon women in respect to their earnings are not as great as those on men and that they are not entitled to the same scale of wages, but if as a result the wages of the men were lowered then it is a substantial grievance. All through, the indictment which organized labour has drawn up against the Imperial Munitions Board seems to be one which is entitled to fair consideration, and I would urgently request, on behalf of those who allege these grievences, that steps be taken to give them a fair hearing and to accede in every reasonable way to any proper demands for which they have made improvement.

Sir ROBERT BORDEN: My hon. friend has put forward his observations in a very reasonable and moderate way, and I shall at once direct the attention of the Imperial Munitions Board to what is urged. We, of course, have no control over the form of contract which the Imperial Munitions Board uses, nor over the prices that they pay for the munitions turned out. Some of these matters to which my hon. friend alludes have, however, come up, more particularly with regard to the question of wages. It has been the duty of the Minister of Labour from time to time to make representations to the Imperial Munitions Board with regard to certain matters, and I know that on at least one occasion the board did cancel a contract by reason of the unfair treatment, of which there was ample evidence, by the company's manager of

persons in its employ. I think it is not going too far to say that the Imperial Munitions Board have given pretty careful attention to representations that have been made to them on these matters, and, so far as we can judge, they have endeavoured to improve the conditions when those conditions were not what they should be. The first indictment that is set forth in the memorandum is,

Violation of sanitary requirements, gross negligence in regard to the protection of the health of the workers in camp and plant construction.

I say at once, that there ought to be the most careful regard for sanitary conditions and for the health of employees, and if there is anything lacking in that regard I hope the Imperial Munitions Board will set themselves to redress it with the greatest possible expedition. I entirely agree that conditions such as are alleged here ought not to be allowed to continue. Another charge is,

Lowering the wage standards already established in different sections of the Dominion.

I would not venture to make any observation with respect to that until the answer of the Board with regard to it has been received.

I may say that in December, 1915, and again in March, 1916, I brought to the attention of the British Government the importance of having inserted in contracts made by the Imperial Munitions Board a fair wage clause such as obtains, I think, in the United Kingdom and such as is used in all contracts which are entered into by the Government of Canada. For some reason that I have never been able fully to understand or appreciate, it would seem that this has not yet been done. There was, however, a suggestion that the Government of Canada should adopt some such system as that which prevails in Great Britain with regard to wage conditions. We considered that very carefully and went into it at a number of interviews with representatives of organized labour. We came to the conclusion that such matters had better be dealt with in Canada along the lines which had been adopted by the late Administration and continued by the present Administration, and so we passed an Order in Council applying the Industrial Disputes Act to all disputes in connection with contracts made by the Imperial Munitions Board. We did that after a good deal of consideration and many interviews with the representatives of organized labour, and we did it in the belief, whether right or wrong, but which I think is sound, that it would be better for us in dealing with such matters to keep along the lines already tried and tested in this country instead of undertaking to establish an organization of a character of which we knew practically nothing, which, although it might suit the British Isles, nevertheless might not prove very satisfactory in this country. And so the course to which I have alluded was taken in the hope that it would afford a means for settling disputes with regard to various matters that continually arise in the relations between the employers and the employed in this country.

The unnecessary dilution of labour by the introduction of female labour, before proper steps have been taken to utilize available skilled mechanics,

I am not in a position, nor do I suppose is my hon. friend who has made the motion, to speak with any authority in regard to the facts. I believe a considerable amount of female labour is being availed of in this country, but nothing like to the same extent as in Great Britain.

Mr. MICHAEL CLARK: Hear, hear.

Sir ROBERT BORDEN: I had the privilege of going through a very large munitions factory in Manchester, the Armstrong-Whitworth Company's works. I understood that in that particular plant, which is not by any means the largest plant and is only one of many operated by that firm, they employ 10,000 persons; and they told me that of the 10,000 not less than 3,000 were women. And, further than that, it appeared that the women were doing very important work and sometimes what seemed to be very heavy work. They were doing it, I believe, very satisfactorily, and I am thoroughly of the opinion that it would have been impossible for Great Britain to accomplish what has been accomplished in the production of munitions of all kinds during the past two and one-half years if it had not been for the employment of female labour there.

This report goes on to charge:

The substitution of cheap semi-skilled labour from rural districts for construction work, because of their willingness to accept less than the trades union rates.

It also alleges:

That there is a declared policy of refusing to recognize trades union representatives in de-

termining the wages and hours on contracts let by them.

It further declares that there is a practice of:

Challenging trades union officials to obtain reasonable conditions by use of their organized power instead of through negotiations which would result in strikes.

All of these matters I think in fairness ought to be submitted to the Imperial Munitions Board and their answer asked. We shall be very glad, so far as the matter is under our control or within our power, to take it up with them. My hon. friend and colleague the Minister of Labour has done that many times already. I am very glad that my hon. friend (Mr. Kyte) has brought the matter to the attention of the House. It is more than his duty to do so, and it shall also be my duty to commend what he has said to the attentive and immediate consideration of the Imperial Munitions Board in order that we may learn what is to be said from their standpoint. I may add that I had a recent communication from representatives of organized labour with regard to the fair wage clause, and I have already dictated a letter to the Prime Minister of the United Kingdom on that subject. I looked for the documents upstairs so that I might state the matter a little more fully, but I find that I have not at hand the communication from the representatives of organized labour. I shall, however, see that the communication which I have already drafted, after necessary revision, is sent forward at the earliest possible moment to the Prime Minister of the United Kingdom. Possibly, by means of his good offices and his immediate attention to the subject, we may obtain a better arrangement in the matter of wages than that which has prevailed up to the present time.

Mr. D. D. McKENZIE (North Cape Breton): I am glad to learn that the Prime Minister is establishing machinery under the control of the Government to deal with this subject. I was not aware that an Order in Council of the kind mentioned had been passed. Generally speaking, any branch of organized labour in this country comes within the scope either of this Parliament or of the provincial legislatures. I myself am in favour of organized labour, but I was always opposed to any organized labour that would not subject itself to federal or provincial laws. It is better that organized labour in Canada should come within the scope of our own laws and regulations than that it should be subject to the control of legislation or regulations made by bodies outside of the Dominion. I am sure that this Parliament recognizes the great obligations that we owe to labour in Canada, whether organized or not. It was within the power of labour and its leaders to cause a great deal of trouble by taking advantage of a time of stress and adversity to further their own interests, and it is much to their credit that they did not take any step in that direction. In Nova Scotia we have great iron and steel making industries which are right at the heart of munition making. Behind that are the coal miners, a cessation of whose operations would cripple our iron and steel plants. The stopping of many other activities directly and indirectly connected with the manufacture of munitions and other war supplies would have very serious effects. It is due to the workingmen, the labour classes and their organizations that this Government and this Parliament should afford any possible remedies or exercise any legitimate powers in response to claims that are proper and reasonable. I hope that the Minister of Labour will always be ready to lend a helping hand to the working classes as against any person, body or Government employing labour in Canada and that the working classes will find the machinery of his department ready to adjust any difficulties that they may encounter.

Mr. W. E. KNOWLES: May I ask the Minister of Labour whether he intends to bring down a Bill along the lines of the Bill which I, as a private member, introduced to prevent the making of price maintenance agreements? The minister was not present when the matter was debated in the House two weeks ago to-night, but the Minister of Justice asked that the debate on my Bill should be adjourned on the understanding that it should be dealt with and referred to a special committee, either of itself, if the Minister of Labour did not bring down a Bill, or in conjunction with the minister's Bill if he did bring one down. Has the minister any information to give us on the subject?

Mr. J. W. CROTHERS: I am very sorry indeed that I am not able to inform the hon. member for Moosejaw when the Bill will be brought down. I shall be glad to inform him as soon as that has been determined.

Mr. KNOWLES: Is the minister still uncertain as to whether there will be a Bill of that kind?

Mr. CROTHERS: I am still uncertain as to that also.

Mr. MACDONALD: Did I understand the Prime Minister to say that the provisions of the English Fair Wage Act
9 p.m. were applicable to munition workers in Canada?

Sir ROBERT BORDEN: The correspondence which I had with the Imperial Government in the autumn of 1915 and the spring of 1916 was with a view to urging upon them the desirability of including a fair wage clause in the contracts made by the Imperial Munitions Board. Some one had conceived the idea that the Government of Canada objected to the Imperial Munitions Board inserting such a clause in the contracts. I sent a memorandum stating in the most specific and definite terms that we included it in our own contracts and that we therefore could not possibly object to their doing the same thing. That did not produce any effect, and I repeated the statement in the spring of 1916 in order that there might be no misapprehension on the subject. I am now about to send a further communication on the same subject to the Prime Minister of the United Kingdom.

Mr. MACDONALD: Up to this time no fair wage clause has been inserted in the contracts made by the Imperial Munitions Board?

Sir ROBERT BORDEN: I understand not, though I have no personal knowledge of that. On March 22 I addressed a communication on the subject to the Colonial Secretary, in consequence of a telegram that I had received from the President of the Trades and Labour Council of Canada, in which I urged attention to these considerations.

Mr. MACDONALD: There is a fair wage clause in contracts made by the Imperial Government in Great Britain.

Sir ROBERT BORDEN: So there is here.

Mr. MACDONALD: The complaint which the workers make is that while a fair wage clause is inserted in contracts made in England and in Canadian Government contracts as well, there is none in these contracts made by the Imperial Government in Canada. I was anxious to know, therefore, whether any conclusion had been reached in the matter, and whether the fair wage clause was being inserted.

Sir ROBERT BORDEN: I do not think it has yet been inserted.

Motion agreed to, and the House went into Committee of Supply, Mr. Rainville in the Chair.

IN COMMITTEE OF SUPPLY.

Labour.—Combines Investigation Act, $2,500.

Mr. GRAHAM: We see a good deal in the press these days about the naming of a food controller. Some despatches say that the power is to be given to one individual; others tell us that the power is to be given to a commission. Could the Minister of Labour set all this talk at rest by telling us what he is going to do? If he has decided on appointing a food controller who is he to be, and what are to be his duties? If he has decided on having a commission, who are to comprise it and what are to be their duties

Mr. CROTHERS: The matter has received considerable consideration, but it has not yet been determined whether a commission composed of one or more will be appointed. I have no doubt that something in that direction will be done in the near future.

Mr. GRAHAM: Will either a food controller or a commission be appointed?

Mr. CROTHERS: I am not able to go into all the details with my hon. friend.

Mr. GRAHAM: That is a principle, not a detail.

Mr. VERVILLE: The minister should tell the House and the mass of the people whether he is going to do anything of that kind or not. The people have been expecting that a food controller will be appointed. When I say "the people," I do not mean only organized labour.

Mr. GRAHAM: The organized leaders.

Mr. VERVILLE: I might say "the organized leaders," as my hon. friend says. Prices are increasing all the time, and my hon. friend knows that either wages are not going up, or if they are, they are not keeping pace with the increase in the cost of the necessaries of life. The minister has been asked by members on that side of the House as well as on this that maximum prices on foodstuffs be established. The minister may believe that this is a radical thing to do, but these are times when one has to do radical things, and maximum prices should be established on the necessaries of life. There has been a demand from the people, not only in large cities, but in small towns throughout the Dominion, that a food controller or a commission be appointed. This is, perhaps, the last opportunity that we shall have to ask this question of the Minister of Labour as he may get through his estimates to-night, and it seems to me

that he should tell us to-night whether it is the intention of the Government to take this step. As he has said, the matter has taken up a lot of his time and the Government have had it under consideration, but I do not want the minister to keep considering all the time until finally the cost of the necessaries of life rises to such a height that people will not be able to buy them. The minister should tell us definitely whether the Government are going to appoint a commission or some one to regulate the price of food. I do not know what the duty of a food controller may be, but if the question is one of controlling the quantity of food the workingman is to put on his table, I will tell my hon. friend that he should not do that. If, however, the question is one of controlling the prices of foodstuffs, I would ask the minister to tell us to-night what he is going to do so that the country will have the information.

Mr. CROTHERS: I am very sorry that I am not able to give my hon. friend a definite answer as to the exact moment or hour when a food controller or a commissioner of supplies or something of that nature will be appointed, or whether any will be appointed at all. The matter has received a good deal of consideration; it is open to further consideration, and when a conclusion is reached, it will be announced to the House.

Mr. VERVILLE: Does my hon. friend admit that there is at the present time a necessity for the appointment of a food controller?

Mr. CROTHERS: I am not admitting anything of that sort just now. I have two or three reports here of investigations that have been made under the authority of the Order in Council which was passed on the 10th of November last concerning food, fuel and clothing. One of these concerning sugar is ready, and I will ask leave, perhaps to-morrow, to lay it on the Table. Another one is in regard to anthracite coal, and there are in course of preparation several others concerning cold storage commodities, canned goods, flour, and ice.

Mr. GRAHAM: Is there any report on bread?

Mr. CROTHERS: Yes, we are getting a report ready on bread and cereals, the producing and marketing of bread.

Mr. TURRIFF: Is there a report on water?

[Mr. Verville.]

Mr. CROTHERS: I am afraid that is too thin for my hon. friend.

Mr. GRAHAM: The hon. member means the kind that is put in stock.

Mr. CROTHERS: I was about to say that it was not and is not, I think, believed or expected by any sane man that the administration of this Order in Council or of any other legislative enactment could or would suspend the influence upon the prices of the universal law of supply and demand, or neutralize the natural effects of the world-wide war, or of the world-wide shortage in food crops, or of the transfer of millions of men from productive to destructive employment, or of the wastage of scores of millions of tons of foodstuffs in the ocean. The administration of this Order in Council thus far has not accomplished any of these impossibilities; neither was it designed for such a purpose.

Mr. KNOWLES: Was it not designed even partially to neutralize those effects?

Mr. CROTHERS: I am just coming to that. The belief that the administration of this Order in Council or of any other legislative enactment could accomplish the impossibilities that I have mentioned would require as much credulity as the belief that a man could stay the incoming tide. We all know that the prices of food and other articles have gone up very rapidly, and we all know what the main causes of those increases have been. This Order in Council was designed to prevent undue and unnecessary accumulations of foodstuffs and other articles and the withholding of them from sale.

It was intended to prevent as far as possible the restraint of competition and the enhancing of prices, and in these respects I think the Order in Council has succeeded fairly well.

Clause 3 says:

(1) No person shall accumulate or shall withhold from sale any necessary of life beyond an amount thereof reasonably required for the use or consumption of his household or for the ordinary purposes of his business;

(2) Every person who shall at any time hold any necessary of life beyond an amount thereof reasonably required as aforesaid, and every person who shall hold for the purpose of sale, whether as manufacturer, wholesaler, jobber, retailer or otherwise, any stock-in-trade of any necessary of life, shall offer for sale the said excess amount, or the said stock-in-trade, as the case may be, at prices not higher than are reasonable and just.

That clause was intended to make it an offence to withhold from sale anything be-

yond what a man might acquire for his own use or for the ordinary purposes of his business. Any violation of that clause is punishable under clause 9, which says:

(1) Any person who contravenes or fails to observe any of the provisions of these regulations shall be guilty of an indictable offence and liable upon indictment or upon summary conviction under Part XV of the Criminal Code to a penalty not exceeding five thousand dollars, or to imprisonment for any term not exceeding two years, or to both fine and imprisonment as specified; and any director or officer of any company or corporation who assents to or acquiesces in the contravention or non-observance by such company or corporation of any of the provisions of these regulations shall be guilty personally and cumulatively with his company or corporation and with his co-directors or associate officers.

Mr. MARCIL: Has action been taken under this Order in Council in any one case?

Mr. CROTHERS: Not that I am aware of.

Mr. MARCIL: Was any attempt made under this Order in Council to control the export of food. We have heard of large quantities of potatoes being sent to Cuba when potatoes were selling in Montreal at $7 a barrel.

Mr. CROTHERS: There is no provision in this Order in Council for preventing the exportation of potatoes or any other article.

Mr. TURRIFF: What is the Order in Council for?

Mr. CROTHERS: I told my hon. friend a moment ago that it was to prevent the accumulation and withholding of foodstuffs from sale, and the enhancing of prices. Those are the three objects we had in view.

Mr. KYTE: Has any result been accomplished in that direction?

Mr. CROTHERS: I am not able to put my finger on any particular case. I wonder if my hon. friend would suggest that a police officer in the city, John Brown say, could put his finger on the number of burglaries that he has prevented by being on watch every night.

Mr. KYTE: If there were many burglaries committed, he would likely catch somebody.

Mr. CROTHERS: If John Brown could not point to any one, would my hon. friend suggest that the police should be abolished?

Mr. KYTE: If burglaries still continued on John Brown's beat, he would probably be dismissed and some one else be appointed who was more watchful.

Mr. CROTHERS: If my hon. friend knows of a case that comes within clause 3, it is up to him to prosecute and secure a fine of $5,000 or imprisonment for the man who has violated these provisions. My hon. friend smiles. I do not suppose when a crime is committed down in his county he writes to the Minister of Justice to prosecute anybody. As a lawyer he knows that under our constitution it is the duty of the provincial government to enforce the criminal or quasi-criminal laws made by this Parliament. It is no part of the duty of this Government to prosecute in the case of every crime committed in Canada.

Mr. KYTE: Does the minister contend that it is no part of the duty of this Government to see that grievances complained of are not remedied?

Mr. CROTHERS: I am speaking of clause 3 now. Wait until I get through. It is no part of the duty of this Government to enforce any of the criminal or quasi-criminal laws passed by this Parliament. Hon. gentlemen opposite, when they were in power, enacted what was known as the Alien Labour Act, and they attempted to enforce it for a very short time, but they soon found that impracticable, and amended the Act, and never thereafter attempted to enforce it.

Mr. KYTE: That is what you had better do with your Order in Council.

Mr. CROTHERS: It was never provided in the Order in Council, and never intended that this Government should enforce its provisions; but it was provided in the Alien Labour Act that the Government should enforce it. They attempted to enforce it, and made a failure of it; I am not blaming anybody for that. The Act was amended and neither that government nor their successors have attempted to enforce it.

Mr. MARCIL: As Trade and Commerce come within the jurisdiction of the Dominion Parliament, any act in restraint of trade and commerce could be prosecuted by the Attorney General of Canada on behalf of the Government.

Mr. CROTHERS: I do not remember any particular cases.

Mr. MARCIL: I understand that it can be done, because under our constitution this

Parliament has control of trade and commerce.

Mr. CROTHERS: I have not contended that it could not be done. I supposed this Government could ask an officer to lay an information against John Brown for stealing Tom Smith's horse, but the usual course would be for Tom Smith to get the Crown Attorney to prosecute, it being his duty to enforce those laws.

Mr. KNOWLES: Do I understand the minister to say that his department is quite inactive in cases of infraction of this Order in Council? If so, it follows that it was only child's play for many of my constituents to report certain cases to his department with a view to their being investigated and a penalty inflicted in the event of a violation of the Order in Council. Am I to understand that the department leaves it entirely to the provinces?

Mr. CROTHERS: I was coming to that; I am dealing with Clause 3 at the moment. I will give all the clauses that I consider material, and any others that may be desired. Clause 4, for instance, says:

The Minister of Labour may, by notice in writing under his hand or that of his deputy, require any person who operates, controls or manages any cold storage plant, packing house, cannery, factory, mine, warehouse, or other premises in which or in any part of which any necessary of life is prepared, manufactured, produced or held by such person for himself or for another, or who in any manner deals in any necessary of life, to make and render unto such minister, within a time set in such notice, and such person shall make and render unto such minister precisely as required by him, a written return under oath or affirmation showing in detail—

(a) the species and amount of any necessary of life held by such person at any indicated time or times, including any time preceding the making of these regulations, where and for whom said necessary is held, and if held for another, upon what terms held;

(b) the time when any or all of such necessary of life was prepared, manufactured, produced, acquired, or taken into possession;

(c) the cost of such necessary of life, including all charges and expenses of an overhead or other nature, affecting such cost;

(d) the price at which such necessary of life, if already sold, has been sold, or, if unsold, is held for sale;

(e) such other information concerning any necessary of life as the minister may require, including a full disclosure of all existing contracts or agreements which such person, or his principal or agent, may have at any time entered into, with any other person, touching or concerning the sale or resale prices of any necessary of life, or the period of time during which any necessary of life should be held, as bailee or otherwise, before sale or resale, or limiting the quantity of any necessary of life which should be sold to any one buyer or combination of buyers or within any limited district.

In addition, it is provided:

6. (1) If, after the receipt by the Minister of Labour of any return made to him or to any municipality in purported compliance with these regulations, such minister shall consider that any circumstances so justify, or if, after a return under these regulations has been required, none is made or none is made within the time set in the notice requiring such return or within such further time as the Minister of Labour may upon special application to him allow, the said minister shall have power to investigate the business and to examine the premises, books, papers and records of the person making or failing to make such return, as the case may be, and, for those purposes such minister may appoint an examiner or examiners and may authorize in writing any examiner so appointed to enter and examine the premises, books, records and papers of such person, and to take evidence under oath or affirmation of any person who such examiner may believe has knowledge relating to such matters as ought to have been included within a proper return according to circumstances.

(2) Every person who is in possession or control of any such premises, books, records or papers shall give and afford to such examiner admission and access thereto whenever and as often as demanded.

(3) No person shall in any manner impede or prevent or attempt to impede or prevent any such investigation or examination.

(4) Every person in any manner required by such examiner to give evidence under oath or affirmation touching or concerning the matters committed to such examiner for investigation shall attend before said examiner and give evidence whenever so required.

Mr. COPP: Have any offences under this clause been drawn to the attention of the minister?

Mr. CROTHERS: I think not. No municipality that has followed out the provisions of clause 5 has made application to us to proceed under clause 6. Now, I wish to call the attention of the House to what we have done in regard to inquiries as to sugar. Under the provisions of section 4, we have sent out questions to about three hundred wholesale men and refiners. I wish to give the House a sample of one of these questionnaires, as we call them, that we send out for return under oath:

Sugar.

You are hereby required, on or before the day of February, 1917, to make return in writing under oath to the undersigned, giving answers to the following questions propounded under authority of Order-in-Council No. 2777, dated November 10, 1916, of which a copy is herewith enclosed, and to obey under the same authority all directions of this questionnaire.

Minister of Labour of the
Dominion of Canada.

1. When were you incorporated?

2. By what authority were you incorporated?
3. State name and addresses of your officers and directors?
4. State the various grades of sugar produced by you. Show as accurately as you can the cost of each thereof, including all overhead and other charges affecting cost, and the price at which you sell the same. If your prices vary in different places show such variation. Make your statement upon the basis of 100 pounds. Annex your answer as Schedule "A" to this questionnaire giving details as far as possible as demanded, supplementing, qualifying and explaining in such manner as you see fit by additional matter.

Mr. MACDONALD: Does not the minister think that he could have dealt much more directly and more effectively with the prices of sugar and other staple articles by simply passing an Order in Council fixing the price and prohibiting the export of the article? That would be better than these Orders in Council and questionnaires.

Mr. CROTHERS: Just pass an Order in Council determining how much every man in this city, for instance, shall charge for cheese, butter, eggs, tea, and other things? Is that the hon. gentleman's idea?

Mr. TURRIFF: They have done that in England.

Mr. CROTHERS: I am asking if that is the hon. gentleman's suggestion?

Mr. MACDONALD: I say that the hon. gentleman might have dealt much more briefly and effectively with the prices of staple articles by simply prohibiting the export and fixing a maximum price. How much better that would be than sending out people to ask questions who come back with nothing. For the hon. gentleman is back to where he was three weeks ago—he has not got anything more than he had at that time.

Mr. CROTHERS: The hon. gentleman cannot know whether I have any additional matter or not, until he has heard me through. I wonder whether he would suggest that we prohibit the export of foodstuffs to the Allies, in order that we may have enough here and so reduce the prices to the people of Canada? I do not suppose he would suggest that.

Mr. MACDONALD: But, as my hon. friend beside me has pointed out, the Government should long ago have prohibited the export of foodstuffs except to Britain and the Allies.

Mr. CROTHERS: This Government has taken measures under which wheat and wheat flour come in free from the United States and ours go free to the United States. The hon. member for years insisted that this Government should secure the free entry of our wheat and wheat flour into the United States, but now he thinks it all wrong.

Mr. MACDONALD: I will give the hon. minister, if he wishes it, a statement as to how wheat and wheat flour—

Mr. CROTHERS: Just a moment.

Mr. MACDONALD: Of course, if the minister objects—

Mr. CROTHERS: I have no objection to the hon. member asking a question, but I do object to his making a speech every two or three minutes.

Mr. MACDONALD: The hon. gentleman asked me a question.

Mr. CROTHERS: I do not think I put it in the form of a question. But I do say that for years the hon. gentleman insisted that the Government should arrange matters so that wheat and wheat products would come in free from the United States, and that our wheat and wheat products should go free to that country. Now, he suggests that we were all wrong in doing anything of that kind, that what we should have done is to prohibit the exportation of wheat and wheat flour to the United States. We did not do that. Perhaps we were all wrong in not doing it, but we did not. I want to show the nature of the questions we sent out in reference to sugar:

5. What amount of sugar have you on hand for sale? If necessary to answer by way of schedule annex your answer to Schedule "B," adding such explanations as you may see fit.
6. How does the quantity on hand for sale compare with what you had on hand for sale at an equivalent date of the years 1914, 1915 and 1916?
7. What was the amount of your gross business (a) in tonnage, (b) in price, for the year ending December 31, 1916? Answer with accuracy if possible. If not, give your best approximation.
8. Compare your gross business as to tonnage and value for the years 1913, 1914, 1915 and 1916. If necessary to answer by way of schedule annex your answer as Schedule "C."
9. What contracts, agreements or arrangements, orally or in writing, exist or have, since the 10th day of November, 1916, existed between you and any person, firm or corporation doing business within the Dominion of Canada, (a) as your competitors, and (b) as buyers from or sellers for you, touching or concerning the sale or resale prices of sugar, or fixing or providing for periodical fixing by you of prices at which sugar may be sold or resold, or touching or concerning the limitation of territory within which you or any other person, firm or corporation shall exclusively

or to a limited extent sell sugar or sell such sugar as you or such other person, firm or corporation may produce or have for sale? Annex your answer as Schedule "D," and annex true copies of all such agreements or arrangements as shall be in writing, marking such last mentioned annexed documents as Schedule "E." Give the names and addresses of all such persons, firms or corporations with whom you may have such agreements or arrangements as may be oral, and in case the address of any person, firm or corporation with whom you may have written agreements which have been annexed as aforesaid do not disclose the address of such persons, firms or corporations, give the addresses of such persons, firms or corporations, repeating, along with each address, the name.

10. Give a list of the names and addresses of all persons, firms and corporations to whom you have, since the 4th day of August, 1914, sent out for signature and return any printed or written forms addressed to you or to any agent for you—

That question had for its design the ascertaining whether there was any agreement between the wholesalers and retail men as to price.

—whereby, in consideration of your offer to such persons, firms or corporations of a discount from monthly or other purchases and certification by such persons, firms or corporations that, from and after any certain date to any other time, such persons, firms or corporations have not sold or permitted to be sold at a lower price than prices fixed and communicated by you from day to day, nor on more liberal terms than certain fixed terms, you will pay or allow to such persons, firms or corporations a discount of value in money. Or, if you arrange for fixing or resale prices in any other manner than indicated or engage to pay premiums or to give discounts for maintenance of set or periodically communicated prices. Explain your system of operation and give a list of names and addresses of all persons, firms and corporations who have since August 4, 1914, received such premiums or discounts, or have engaged to maintain such set or communicated resale prices. Annex your answer as Schedule "F."

11. Give a list, with addresses, of such persons, firms or corporations as, having signed and returned such written or printed forms, or otherwise agreed to maintain prices, the agreement or arrangement thus constituted (a) remained in force on the 10th day of November, 1916, and (b) now in force. Annex your answer as Schedule "G," including within it true copies of all such signed forms as remained operative on the 10th day of November, 1916.

12. Explain fully your sale system, showing the class of vendees with whom you deal, whether entirely with jobbers and manufacturers, or otherwise, your ordinary terms of credit, what discounts or bonuses you allow, and the purposes thereof. Annex your answer as Schedule "H."

13. Are you aware of any combination within Canada of persons, firms or corporations from whom you purchase your products whereby such combination agrees upon fixed prices or among the members thereof, which fixed prices you must pay. If so give such particulars concerning such combination as are known to you or concerning any other combination affecting the sugar business as may be known to you. Annex your answer as Schedule "I."

14. Add as Schedule "J" any observations of a general or other character as you may see fit.

That questionnaire was sent out to three hundred wholesale men and refiners and a form of affidavit to accompany their replies was attached. We got replies and many of them were satisfactory as soon as we received them. But, a great many were defective. We pointed out by correspondence that they did not answer the questions fully, we required further information and we got it. After correspondence of that kind we got satisfactory answers from all of these men to whom we sent out the questionnaire. This is the form of affidavit that they had to make:

I, ..., of the ..... of ..... in the Province of ....., make oath and say as follows:

1. I am ..... to whom the questions to which answers are, in whole or in part, returned herewith, are addressed.

2. I have knowledge enabling me to say, and I do hereby say, that the answers given to the said questions are candid and true, that such answers are as complete as I can provide, and that I have made all enquiries and consulted all records reasonably necessary to enable me to answer the said questions truthfully and candidly as aforesaid.

Sworn before me at the ..... of ..... in the County of ....., this ..... day of ..... 1917.

Notary, Commissioner for taking affidavits, or Justice of the Peace.

As a result of these questionnaires and answers, we got a great deal of information which is contained in the report. I do not propose to read the report but I am going to put it on the Table and I am going to give a few facts from it which may be interesting to the committee. Section 5 of the Order in Council is in these words:

Whenever the council of any municipalicty shall declare by way of resolution that in its opinion excessive prices are being demanded within the limits of such municipality for any necessary of life, such council may, by notice in writing under the hand of its clerk or other authorized officer, require any person dealing within the municipality in such necessary of life, and locally situate therein, to make and render unto such council within a time set in such notice, and such person shall make and render unto such council, precisely as required by it, a written return under oath or affirmation, showing in detail—

(a) The amount of such necessary of life held by such person for sale or disposition within such municipality at any indicated time or times, including any time preceding the making of these regulations.

A part of the clause I have already read empowers the Minister of Labour to authorize an examiner to go and examine under

oath any one in connection with any business and make him show his books. Some time ago, in order that a municipality might have all the means for an inquiry that I had, and within their own control, I sent out this circular to a vast number of municipalities:

Dear Sir:—

You will probably have a copy of the Order in Council enacted last November, concerning the prices of some of the necessaries of life, but for convenience I enclose you one.

It is sometimes said that under clause 6, as Minister of Labour, I have powers to conduct a more thorough investigation under oath etc., than has a municipality. You will observe that under that section I may appoint an examiner, and in writing give him all the power and authority that I myself could exercise. That municipalities may have at their hand all the power I have under that section, I want to tell you that where a municipality complies with clause 5 and by resolution asks me to appoint its solicitor or other official an examiner with all the powers mentioned in clause 6 naming the official so chosen, I shall be glad to clothe him therewith, that the investigation may at once go forward substantially under local control, and at its expense.

So that now the municipality desiring a further investigation, after sending forth the questions and getting the answers, may ask me and I will appoint some man chosen by them right on the ground, the solicitor of the municipality or other officer, who will have all the power of going right in and examining under oath and compelling the exposition of their books, thus getting all the facts in connection with the particular case they are inquiring into.

The sugar business, as hon. gentlemen will know, has grown to quite large proportions in Canada. In 1916, in round figures, there was 960,000,000 pounds of sugar refined in Canada, of a wholesale value of $47,473,000. In 1913, there was manufactured 606,466,000 pounds. In 1914, there was manufactured 665,000,000. pounds. In 1913 there was manufactured 640,000,000 pounds. The average cost in 1916 at the refinery was, for best sugar 5½ cents per pound, and for cane sugar 6⅔ cents per pound. There are in Canada six companies refining sugar and eight refineries. One of these companies is operating three different refineries. Five confine their operations exclusively to the refinement of cane raw sugar, and one refines both cane and beet sugar. One of these refineries is situated at Halifax, one at St. John, two at Montreal, one at Kitchener, one at Chatham, one at Wallaceburg and one at Vancouver, B.C. The Cuban crop of sugar controls the price of raw sugar in Canada. For the last three or four years the Cuban crop of raw sugar was, in 1913-14, 2,597,732 long tons; in 1914-15, 2,592,667 long tons; in 1915-16, 3,007,000 long tons; in 1916-7, 2,600,000 long tons. The crop of the whole world was , for the same years, for 1913-14, 18,740,000 tons; for 1914-15, 18,468,000 tons; for 1915-16, 16,592,000 tons, and for 1916-17, about 16,000,000 tons. Most of the cane sugar that we get in Canada, of course, is from Cuba. The price of cane has gone up quite a bit. There are several reasons for that. The answers we have received to these questions, which we have verified from other sources, show that the price of the material at the shipping point, the freight, the cost of discharging, the cost of delivery, all have increased. The price of raw sugar is twice what it was, it has gone up about 100 per cent. The freight from Cuba has gone up from 9 cents per hundred pounds before the war to 76 cents per hundred pounds now, more than eight times what it was before the war. Coal used by the refineries has more than doubled. Hydrochloric acid, which is largely used in refining sugar has gone up 300 per cent. The bags, packages, etc., have all gone up in price. Labour has gone up. Of these companies last year, one operated at an actual loss and another paid interest on the bonds only and no dividend whatever.

Mr. KNOWLES: What did the one in Vancouver make?

Mr. CROTHERS: I have no doubt it is given in this report, but I cannot say at the moment.

Mr. KNOWLES: If it is in the report it is not confidential?

Mr. CROTHERS: Oh, no, I am going to place it on the table. The average profit that the refineries had last year was one-fifth of a cent per pound. Of course there was a very large amount refined, and it amounts to a large sum in the aggregate, but it was only one-fifth of a cent per pound on the average.

I have another of these questionnaires which was sent out to wholesale men. I do not propose to read it. The answers are given here and the actual affidavit is here. If there was any suspicious circumstance or anything set forth in the affidavit or in the replies that did not seem perfectly satisfactory, we corresponded with the parties until we had what we considered a satisfactory answer, and the net result is that the refineries last year made one-fifth of a cent per pound on sugar, although the price was much higher than it had been a few years

ago. I think the last price was 8⅝ cents wholesale, and the reasons I have given fairly explains this price. The principal item in the cost of refined sugar, as hon. gentlemen will all know, is the cane. The sugar cane has more than doubled in price since the war broke out, and, as I have said, the freight on sugar from Cuba has risen from 9 cents to 76 cents, coal has doubled, hydrochloric acid has gone up 300 per cent, and labour has gone up. These items will give satisfactory reasons, I think, for the increase in the price of sugar. It is sold to wholesalers at $8.35 per hundred pounds and retailers are selling it, some as low as 9 cents and some as high as 10 cents, so that the profit does not seem to be very exorbitant.

We have gone into the question of the price of coal. We sent out questions concerning coal, not so many or so full as in regard to sugar. We have endeavoured to get the condition at the beginning of each of the last four years and then to get a report from month to month, and we do get it now every month. We sent out to 250 of the principal coal dealers of Canada these questions, and they were requested to answer giving the number of tons of 2,000 pounds each in the yard on the first day of the month in 1916, of egg, stove, chestnut and other varieties of coal. That is for each month. Then they were asked to give the number of tons of 2,240 pounds purchased from each firm during the month and details of each purchase, giving the price per ton for each size at the shipping point, freight and unloading charges, the number of net tons of 2,000 pounds sold and delivered during the month and the price per ton at which it was sold, egg price, stove price, chestnut, and other prices.

These questions were sent to every large coal dealer in Canada, and satisfactory answers were received. We receive cards from them every month; we can tell the quantity of coal in store in Canada at the beginning of every month. Complaints have been made concerning the price of coal in St. John and Montreal. Coal has been sold in Montreal at $15 a ton in the central part of the city and at higher prices in the suburbs. Upon making inquiry, we found that a great deal of coal is sold in Montreal in little bags containing 15 or 20 pounds. These bags are sold at from 15 to 20 cents each, making the price reach from $15 to $20 a ton. The extra charge in Montreal for carrying coal up one flight of stairs is 25 cents, two flights 50 cents, three flights 75 cents, and four flights $1. Coal is very dear in St. John and Halifax, the price running as high as $13 and $14 a ton. The reason is that the merchants in St. John and Halifax buy not at the mouth of the mines, but in New York, because of their being off the line of railway, and they pay as high as $5 a ton for transportation. From the inquiries which we have made and from information received from other sources, we are able to say that the coal dealers in Canada have not charged exorbitant profits. We have been able to ascertain the cost of coal at the mouth of the pit and the cost of freight, and we can readily estimate the cost of discharge, delivery and overhead expenses. Usually the profits made by the dealers do not exceed fifty cents a ton; I think no one would say that that is exorbitant. Sometimes the profit is 65 cents a ton; sometimes 75, but in no case, I think, does it exceed $1.

Mr. COPP: Does the minister say that there is no hope that the people of St. John will get their coal at less than $15 or $2(a ton in the near future?

Mr. CROTHERS: When they shall be able to get cane sugar from Cuba at nine cents a hundred instead of seventy-six, there will probably be sufficient tonnage to carry coal from New York to St. John at a lower rate than $4 or $5 a ton. Tonnage is scarce, and if you ship by water you have to pay.

Mr. COPP: Is there no hope that the Government will do something in the near future to reduce the price of coal in St. John and Halifax?

Mr. CROTHERS: They say that hope springs eternal in the human breast. I trust that the member for Westmorland is not wanting in hope.

10 p.m. Mr. COPP: Has the minister any hope?

Mr. CROTHERS: Yes. The war will not last forever, and when the war is over freight rates may be cheaper.

Mr. KYTE: Then the food controller will not be able to do anything in the way of reducing the cost of the necessaries of life. Is that the minister's conclusion?

Mr. CROTHERS: Not at all. The operations of the influences which bring about high prices cannot be suspended by this Parliament or by a food controller. I do believe, however, that the designs of this Order in Council can be carried out; the withholding of foodstuffs from sale at rea-

sonable prices, the restraining of competition, and the enhancing of prices by artificial means.

Mr. KYTE: What section of the Order in Council prevents the accumulation of foodstuffs in cold storage warehouses?

Mr. CROTHERS: The report on cold storage, which is in process of preparation, will be ready in a short time. It will cover such commodities in cold storage as eggs, cheese, pork, bacon, ham, beef, mutton, lamb, halibut, creamery butter, dairy butter. An hon. gentleman on the other side said the other day that a certain firm was seeking insurance on $2,000,000 worth of commodities in cold storage, and that was set forth as an instance of the accumulation and holding of foodstuffs until prices went up. I have here information concerning the purchases and sales of one of the largest cold storage companies in Canada.

Mr. KYTE: Which one?

Mr. CROTHERS: I would rather not mention the names, unless my hon. friend insists. I will show them to him in private if he so desires. On February 24 last the firm to which my hon. friend refers had on hand in one place $2,145,368 worth of such foodstuffs as I have mentioned. In a month they purchased articles of this kind to the value of $2,427,439, and sold $2,242,290 worth. On the same day they had on hand in Montreal $682,487.09 worth of these articles. They purchased in a month commodities of the kind mentioned to the value of $465,176.61, and the value of the sales made was $484,899 18. On the some date they had on hand, at Winnipeg, $89,051.73 worth of these articles; the quantity purchased that month was $25,230.62; and the quantity sold was $50,698.29. The gross value of the commodities on hand, February 24, 1917, was:

Toronto	$2,145,368.18
Montreal	682,487.09
Winnipeg	89,051.73
Total	$2,916,907.00

When we have a firm doing as much cold storage business as this firm is doing, having over $2,000,000 worth of these commodities on hand, and buying in and selling out two or three million dollars worth a month, that does not show that it is holding back any commodities for an increase in price. This firm has a month's supply on hand at a time. This firm is at the present time turning over $3,000,000 a month; in fact, I am told that it is turning over a million dollars a week. The common idea that these commodities are hoarded up in cold storage for the purpose of keeping them there until prices go up is not well founded. One trouble, I think, is that we have not enough goods on hand. This firm, which is the largest firm of its kind in Canada, has only a month's supply on hand, and if it cannot buy any more goods, it cannot ship any more away, it is buying and selling every month. We have gone into these different commodities, sugar, coal, cold storage commodities, canned goods, and the report, on cold storage, is in process of preparation and will be ready in a few days. I am glad to say that so far as the prices of sugar and coal and the quantities of foodstuffs kept in cold storage are concerned, there is no reason for complaint. It is a very good thing for the people of this country to know what the conditions are, because statements that are not well founded are frequently made to them. One hon. member has said: Can you point to any article on which by your efforts you have reduced the price? I do not know that I can. I cannot point to any particular burglary that police constable John Brown has prevented by walking the streets of Ottawa, for the last five years, but it does not follow that we should abolish the police force of Ottawa. The refiners, the wholesalers, and the retail dealers know that we are on the job.

Mr. KYTE: Asleep on the job.

Mr. CROTHERS: No, we are not asleep on the job. I want to know if my hon. friend, by sleeping, could send out 500 of these questionnaires—

Mr. KYTE: Any office boy could do that.

Mr. CROTHERS—and get all the answers back and tabulate them, and if they were not complete ask for further information. I know that cannot be done by little work. A great deal of work is being done. Some days ago we wrote a firm at St. John, N.B., for some further information, and a day or two ago we received the following reply:—

St. John, N.B., May 29, 1917.

We are in receipt of your favour of the 23rd instant and note contents. The writer has been away or your letter would have been replied to before.

The discrepancies you notice between the prices we furnished you with and the American companies mines prices are easily explained:

In the first place we do not buy the coal ex mines, but f.o.b. vessel at tide water. We think the company's prices for April ranged at about $5.50 f.o.b. schooner at New York; but it has been for some time practically impossible to purchase coal from the companies and get vessels loaded promptly, and as vessels will not

wait two or three weeks for cargo, it has been necessary to go outside to individual operators and pay two or three dollars a ton premium for spot coal. Our figures for April were made up of some coal purchased and shipped in March, but which did not arrive here until April and of one cargo purchased and shipped in April, the latter costing us,—coal, freight, insurance and cost of discharging approximately $11.65 per gross ton.

That is what the coal actually cost them per gross ton.

Since then prices have advanced and we have paid as high as $9.00 for coal, f. o. b. New York and $5.00 freight. The figures we sent you were the average of a number of cargoes and the reason the stove shows less than the egg is because we happened to get a little better price or a little lower freight on the stove we imported than on the egg size.

You will understand that these prices are fluctuating all the time. When we are able to charter a vessel we have to go into the market and secure spot coal; sometimes the premium we have to pay is greater than at other times and sometimes we can secure a little lower rate of freight than at others.

We are now landing coal that is costing us $14.50 per gross ton at our dock. At the moment we are selling at $14.00 per net ton; but we expect to advance the price in the very near future.

That is just a sample of scores of letters we are receiving every day from all parts of the country. When we receive an answer that is not satisfactory we ask for an explanation, and we get from other sources information to check up what we receive from these people, so that in the end we are satisfied we get the correct information. I do not desire to take up any further time in dealing with these matters that come under this item.

Mr. KYTE: I am sure that the people of this country will not receive very much encouragement from the explanation which the Minister of Labour has given this evening. The minister stands as the apologist of all those who have succeeded in forcing up the prices of foodstuffs in this country to a point which it is almost impossible for the ordinary man to reach. The conclusions of his observations are that nothing is done; nothing is to be expected, and nothing is possible. He expressed the pious hope that after the war conditions would be such that a reduction in the cost of food commodities might be brought about.

Mr. CROTHERS: I was speaking about the freight on coal. The hon. member is covering everything now.

Mr. KYTE: The minister was speaking about sugar and everything else. The minister and his Government, while expressing some desire to appoint a food controller,

[Mr. Crothers.]

have to admit this evening that even although a food controller is appointed, he can accomplish nothing. The minister says that the conditions we have in this country to-day are conditions which have inevitably resulted from the war, and that therefore the Government is unable to do anything to relieve the situation. That is not the language of Mr. Hoover, who is the food controller in the United States. Mr. Hoover, in the last four or five weeks has spoken in many places; he has spoken before the legislature at Washington in support of a Bill to enable the United States Government to take control of these food products, and he has pointed out that in nearly every case proof is available that the increased cost of living is due to speculation and to the undue enhancement of the cost of foodstuffs by those who are engaged in the business of distributing them. In the United States there is, apparently a live Government, and a live minister who has charge of that particular situation. The Minister of Labour did not make any particular reference to the matter of flour. We know that some weeks ago when the question of flour was brought up in this House, the Minister of Labour, with a wave of his hand, endeavoured to assure the country that something was being done because he had sent Mr. O'Connor down to Montreal to make an investigation, but Mr. O'Connor returned, and instead of the price of flour going down, it went up until the United States Government took action to close the grain exchange in the city of Chicago.

The reflex result of that was that the price of flour was reduced to some extent in Canada. The Minister of Labour will not deny that the price of flour was boosted in Canada on account of the operations on the Grain Exchange at Winnipeg. That grain exchange has been closed, and I believe the Government has made some effort to eliminate the operations of the speculators, and as a consequence the price of flour has been reduced in some slight degree in the last couple of weeks.

The Minister of Labour has referred to the question of coal. The minister cannot have forgotten that the city solicitors of Montreal endeavoured to hold an investigation under the Order in Council for the purpose of reducing the exorbitant price of coal. They had not proceeded very far when they were faced with the difficulty of being unable to proceed by reason of not being able to prove that a conspiracy existed for the purpose of enhancing the price of flour, for in the opinion of the city

solicitors unless a conspiracy were proved nothing could be done under the Order in Council.

I was rather surprised that the Minister of Labour ventured to produce his Order in Council again this evening. I think it is the third occasion on which he has read it to the House, but in no single instance has he been able to show that anything has resulted by reason of the Order in Council or from any proceeding taken under it. It is just as well that the Government cease talking about a food controller. There is no use in going to the expense of appointing a controller or a commission to control the price of foodstuffs, because we have the statement of the Minister of Labour this evening that no result will follow any activity in that respect, as the cost of everything in Canada is due to war conditions. But there are other countries at war, and the consumers of those countries fare very much better than we do, the consumers of Canada. In the United States the conditions created by the war are no worse than the conditions created by the war in this country, and the moment war was declared by the United States action was taken for the purpose of dealing with the question.

The price of onions had gone up enormously in the United States. It was stated that the price was due to the supply not being equal to the demand, and apologists for those who were responsible for increasing the price of that article came forward, just as the Minister of Labour has done to-night, with every explanation but the correct one. But the moment the food controller was invested with authority—

Mr. CROTHERS: Will my hon. friend allow me a question? Has not the hon. member been advocating in this House and outside that we should take action to enable the farmers to sell their products in the United States, so that they could get a higher price?

Mr. KYTE: They did not get a higher price in the United States. When our farmers could have realized a better price in the United States the Government refused to allow them to sell their product in that country. It was not until food products had become so high in this country that the ordinary consumer could scarcely buy them at all, that the Government allowed food products to be exported to the United States, when we were paying more for those commodities than ever before.

Coming back to the question of onions, the food controller in the United States held an inquiry and was able to put his finger on the cause of the trouble. While it had been reported that the high price was due to the supply not being equal to the demand the food controller discovered that large quantities were being warehoused in the United States; the manipulators gave out that the supply was not equal to the demand, and therefore the price had to go up. The moment the food controller took the matter in hand he discovered where the difficulty was, and the price of onions at once came down. There was a gentleman who really understood what his business was, and was really interested in producing results. All these matters which the Minister of Labour referred to are being dealt with in other countries and perhaps in no other country outside of Germany have prices gone up to the extent that they have gone up in Canada. As I said at the opening of my remarks, we in this country have to settle down to the conviction that nothing will be done to relieve the situation because the Minister of Labour either cannot or will not take action.

Mr. TURRIFF: I hope we shall not hear again hon. gentlemen opposite charging us on this side with wasting the time of the House, because thte Minister of Labour to-night has taken two hours simply to repeat, practically word for word, what he has already repeated in the House two or three times this session.

Mr. CROTHERS: You had better divide that in two.

Mr. TURRIFF: Whether my hon. friend wished to put us asleep, or out of business altogether, so that he could get his Estimates through I do not know, but the fact remains that though we have been sitting here for nearly four months and the high cost of living has been brought to the Minister's attention time and again in this House, not one single step has been taken by the minister to bring down to a reasonable level the price of any article of food used by the consumers of this country. Not a single thing has been accomplished. The minister indulged in a dissertation to-night about his Order in Council and his questionnaires. Why, any office boy would be dismissed if he sent out such a set of questions as the minister's. Since we have been discussing the cost of living in this House this session, the price of two main articles of food has practically doubled; I refer to flour and potatoes. All that the Minister of Labour has done has been to send Mr. O'Connor down to Montreal to ascertain the

reason for the rise in the price of flour. After all these months have been wasted the minister tells us to-night that he does not know whether it is advisable to appoint a commission or a food controller to look into the whole question. He read his Order in Council clause by clause, and told us that everything was lovely, that prices were not too high, they could not be lower; and, as my hon. friend from Richmond says, he apologized for those who were manipulating the food supplies of this country and charging the people double prices. The Government apologizes for these food manipulators; it stands by them, and as much as says to them, "Go on, keep up the prices as high as the people of Canada will stand for. We will defend you on the floor of the House. We will not take any action to bring the prices down." That is the position of the Government tonight. The Minister of Labour says that nothing can be done. Certainly nothing is being done. I imagine this is the only country where the Government is absolutely powerless to do anything, and acknowledges it. Since this House met I venture to say that potatoes have doubled in price, and flour has almost doubled too. Did it cost any more to raise the potatoes that have been sold for such high prices in the last few months, than to raise the potatoes that were sold last fall? Did the wheat that produced the flour that brought from $13 to $15 a barrel only recently cost more to produce than the wheat that produced the flour that sold for $8 or $9 a barrel last fall? Not one cent. And yet this Government say they can do nothing to control the price of flour. In the meantime the people have to pay double the price for their bread. The Minister of Labour tells them he can do nothing. Everything is all right. The men who have been manipulating the market to the disadvantage of the labouring class and every other class have the sanction and even the benediction of this Government. The minister says: "It's all right, gentlemen; go ahead; squeeze the last cent out of the people who must have potatoes and bread." There is the position. And the bad feature of it, to my mind, is that the minister comes forward to-night and says: We can't do anything; everything is all right; the prices are moderate and you have to pay them: some time, after the war is over, some time in the future, dimly distant or near, conditions may change and food may be cheaper, but in the meantime nothing is being done and nothing can be done. Well, if the Government cannot do better than that, they ought to acknowledge that they are not capable for the job, and they ought to step down and out. No wonder they want a coalition. It is all well enough to discuss these matters here, but the millions of workers in Canada, who find it difficult to make ends meet and to provide food enough on their tables, see no possible prospect of anything better after the statement made by the Minister of Labour to-night. I think it is up to the Government, it is right up to the Prime Minister, to see that a change is made in the workings of the Department of Labour and that something is done to control and regulate the prices of food. One good able man in charge as a food controller would very soon stop the prices going up here, and in many cases would cut down prices that have been raised by means of manipulation, as has been the case with many food products. The minister tells us that nothing has been decided. After all these years and months they have not decided whether they will appoint a commission, or name a food controller, or do anything. Well, it is a poor lookout for the consumers of Canada when that is the position taken by the Government.

Mr. CROTHERS: If my hon. friend from Assiniboia (Mr. Turriff) could point to some country where a food controller, or commissioner of supplies, or government official of any kind, had reduced by his action the price of foodstuffs, it would be more to the point. But look on that picture and then on this. Until a few weeks ago the hon. gentleman was urging with great eloquence that wheat and flour should be permitted to go into the United States free because it was dearer there. Now, he finds fault with the price of potatoes because they have been allowed to go into that dearer market—

Mr. TURRIFF: I never mentioned potatoes—

Mr. CROTHERS: The hon. gentleman mentioned potatoes only a few moments ago. He complained that they have gone up in price. To a certain extent that is due to the fact that they have been shipped to the United States.

Mr. TURRIFF: I hope the hon. minister will allow me to put him right. I did not mention potatoes going to the United States.

Mr. CROTHERS: Then I beg his pardon; I thought he had said so. But we all know that potatoes have gone to the United

States from Canada. And why? Because they are dearer there than here. Then, what about the food controller of the United States, who was to have reduced the price of everything in that country? But it is just the same old story—one day these hon. gentlemen are begging for conditions under which the farmer shall be able to get more for his wheat, and the next day attacking the Government because the farmer gets so much. It is the same effort to humbug the country. But it failed in 1911, and it fails now, and it will fail whenever it is tried.

Mr. MACDONALD: A little while ago the hon. minister was looking all over the world for somebody to tell him—

Mr. CROTHERS: I was asking the hon. gentleman to tell us some place where the prices of goods had been reduced.

Mr. MACDONALD: If the hon. gentleman will look at Australia he will find it there. There is a very ready remedy in the case of flour. We in Canada produce, possibly, 200,000,000 bushels of wheat, and our consumption is somewhere about 50,000,000 bushels. Why does not the Government undertake to commandeer the wheat that is necessary for our consumption in Canada at a fair price—

Mr. CROTHERS: Oh, certainly.

Mr. MACDONALD: Well, why don't they? —and deliver it at a fair price to the millers, and then regulate the handling of it by the millers, so that the people of Canada may get flour at a fair and proper figure?

Mr. CROTHERS: Would the hon. member for Assiniboia (Mr. Turriff) agree to that?

Some hon. MEMBERS: Oh, oh.

Mr. MACDONALD: Never mind the question—it is only the same old business of setting one opinion against another as a reason for doing nothing. What the people are concerned with, and what the hon. member for Assiniboia is concerned with, is how the plain people of this country are to get food at reasonable figures. The hon. minister talks about what the people will listen to and what they will not listen to. One thing they will not listen to is this veriest twaddle that the hon. minister has inflicted on this committee under pretense of dealing with the question of food prices. I say that, as to the price of the flour, it lies in the hands of this Government to commandeer the wheat necessary for consumption in Canada and to see to it that flour made from that wheat is delivered to the people at a proper price. That is a solution which any business man could work out.

Mr. CURRIE: There is nothing through which the poor people have suffered more than the high cost of coal, and I would like the hon. member (Mr. Macdonald), as a representative of the coal interests, to say whether he is willing that coal should be commandeered at so much a ton and sold to the people at a reasonable price?

Mr. MACDONALD: Why, certainly. If my hon. friend (Mr. Currie) thinks that this situation, serious as it is, can be met by a silly argument, or suggestion, of that kind, he is quite mistaken. I say that every article that enters into the home consumption of the plain people must be dealt with with a strong hand by this Government, and the country expects the Government so to deal with it.

Mr. CURRIE: The hon. gentleman goes far afield from his own home for his illustration and argument on the subject of the high cost of living. He goes away to the Northwest and takes the case of wheat and flour. But why does not he speak on behalf of the poor people in his own province who were faced with the high prices of coal during this cold winter? I have never heard him raise his voice in a single word against the high price of coal until now when he has been challenged.

Mr. MACDONALD: The hon. member (Mr. Currie) has not been in the House very much this session; he has honoured us only occasionally—

Mr. CURRIE: I have been in constant attendance every day.

Mr. MACDONALD: Oh no, you have not. The hon. gentleman forgets just where he was. He need not worry about the consistency of my position in this matter; the problem of the high cost of living will not be met by any such argument as that.

Mr. CURRIE: There is no greater danger in this House than the presence of the hon. member (Mr. Macdonald), sitting here as he does, representing these coal interests, and yet he challenges the high cost of living. The people have paid high prices for coal in his own province and in Montreal. And why? Because the coal is charged for at two or three times former prices. But is the coal miner getting double or three times the pay he got before? No. The statements of the companies for which the hon. gentleman is solicitor show that he knows it.

Mr. MACDONALD: When the hon. gentleman talks about my being solicitor for companies, he makes a statement concerning which he knows nothing whatever and is absolutely unjustified and unwarranted. I will tell him whom I represent in this House. I represent three or four thousand coal miners, who have sent me here for twelve years to speak and act on their behalf.

Let me say to the hon. gentleman who comes here to wrestle with this problem and to indulge in personal matters of this kind, that the people of my constituency are aroused upon this question of the cost of living, they want some solution of it from this Government, and they will have it. The hon. gentleman speaks about the price of coal. The price of coal in the constituency from which I come is not greater than it should be, having regard to the wages that people should have in order to pay for the produce that is necessary to keep them alive. If the price of coal is greater in Montreal than it should be, and the minister laboured for over an hour to-night to show that it is not, all I have to say is that it is not the coal from Nova Scotia that is being consumed and for which this large price is being paid. Coal from Nova Scotia is not going to Montreal on account of the removal of facilities for getting it there. The coal consumed in Montreal is coal from the United States and not from Nova Scotia. Within the last three days I called the attention of the Government to the fact that it was impossible for Nova Scotia to send any coal to central Canada on account of the boats being removed. My hon. friend who always pretends to omniscience has something to learn in regard to that question. The price of coal in central Canada is not dependent on the price of coal in Nova Scotia.

Mr. CURRIE: The hon. gentleman has just got right down to the point. I know where coal comes from that is supplied to that province, because I am a large purchaser of coal, and I know where the coal comes from that is supplied to the West. We have never heard the hon. gentleman who represents the coal interests of Nova Scotia ask the Government to take the duty off coal, although he is always hollering to have the duty taken off wheat and flour. Is he prepared to have the duty taken off soft coal? There is $5,000,000 paid every year by the farmers of the West for the duty on soft coal. Is he willing to forego that duty?

[Mr. Currie.]

Mr. MACDONALD: If my hon. friend wants to discuss the question, I will discuss it with him at the proper time. He talks about the coal consumed in Ontario. There is not a cent of duty on the anthracite coal consumed by the householder in Ontario.

Mr. CURRIE: Soft coal is very largely consumed in Ontario. The very bread that is baked in Ontario is baked with soft coal and that soft coal pays a duty of fifty cents a ton and more on account of the war. Yet, my hon. friend and his friends want to keep American coal out of Canada. Has he the honesty to say: I will forego the duty on coal if you will forego the duty on wheat? There is the East and there is the West in this country. My hon. friend represents the East. We have never heard him say a word about the duty on coal. He is quite willing to have somebody else's wool cut, but he is not willing to have his own, and he cuts a very sorry figure on this question.

Mr. MACDONALD: This is not the first time the hon gentleman has cut a sorry figure since he came back. It is very easy for my hon. friend to get up and try to create a diversion in order to help the Minister of Labour out of a hole. The Minister of Labour has signally and absolutely failed in his duty in dealing with this problem of the high cost of living. My hon. friend the member for North Simcoe (Mr. Currie) need not think that in getting up and getting excited he is going to divert the attention of this committee, or this country, or this Parliament, from the main question before them as to whether the Minister of Labour has not absolutely and ignominiously failed in dealing with this great problem before the Canadian people.

Mr. CURRIE: The West needs coal and has to have soft coal and I ask my hon. friend now if he will be willing to have the duty taken off soft coal. We are anxious to know.

Mr. MACDONALD: If I had the responsibility I would deal with this question. My hon. friend is supporting a Government that has to deal with it and if my hon. friend wants the duty taken off coal he had better go to them to have it taken off. It is not the question of duty that is the issue here. It is the matter of price control in regard to which this minister has failed.

Mr. KNOWLES: The fact remains that, as my hon. friend from Pictou (Mr. Mac-

donald) has stated, there is a great need that something should be done in regard to this question of the high cost of living. What did we learn from the minister? The only thing we did learn was that nothing has been done and nothing will be done. That is all we ever have learned from the Minister of Labour. To-night he gives an exhibition which, in the classic words of the hon. Minister of Railways and Canals (Mr. Cochrane), might simply be described as bosh, an expression that seems to be parliamentary because it was used by the Minister of Railways not four days ago. The Minister of Railways and Canals has the advantage over the Minister of Labour in that he says more in less time and inflicts less suffering on those who have to listen to him than does the Minister of Labour. If the minister never laboured before, he might to-night be called the labouring minister. I do not know whether the minister endeavoured to obstruct his own estimates or not. If that was his purpose he succeeded absolutely. The Opposition is sometimes accused of trying to obstruct a minister's estimates but the hon. gentleman to-night obstructed his own estimates. His only purpose must have been to endeavour to tire us out so that rather than be penalized by the infliction of a speech such as he gave us we would allow his estimates to go through and get home out of here. But, we do not look at it in that way, and I am the less inclined to look at it in that way because of the outstanding way in which the minister deals with the whole question. Our complaint always has been that the hon. gentleman's friends, the middlemen, are making an improper and exorbitant profit, and we say that it is his duty to protect the producer at the one end and the consumer at the other, and to see that there is not an unjust tribute extracted by these middlemen. What does my hon. friend say? He says that the people of Canada in 1911 decided that the middlemen should be protected. If his words mean that, I say that the people of Canada decided no such thing in 1911.

Mr. CROTHERS: I did not say that.

Mr. KNOWLES: The hon. gentleman stated as clearly as he stated anything that in 1911 the people decided for the very things he contended for, and against the things which we contended for. I make the statement that the people of Canada in 1911 did not decide what he says they decided. The people in his own riding wanted the Farmers' Bank subscribers paid, and he appealed to them on that issue and made promises, and on that he was elected. The hon. member for Peterborough (Mr. Burnham) was elected on the ne temere cry, and the Eucharistic Conference and all these cries were heard throughout Ontario and Quebec. The minister laughs just as he has always done ever since he took the position he holds, and which carries with it the duty of looking after the interests of labour and the interests of the consumer. He laughs as over a joke, although he holds this important position, and he gives no reason, no explanation when his delinquencies in regard to serious matters are brought to his attention. I say again that in 1911 the people of Canada did not decide that they desired that the middlemen should be protected. They did not decide that there should be less of a gap or spread between the producer and the ultimate consumer, because that issue in Ontario and Quebec was carefully kept away from them and was not made an issue of the election. The people decided to vote for the Minister of Labour because they wished their deposit money returned and their subscriptions in the Farmers' Bank cancelled. Yet, he tells us that they decided the trade question in 1911. Again, to use the classic words of his colleague, that is nothing but "bosh." What does the minister tells us in regard to this question of the high cost of living? It is a serious condition of affairs, says the minister. The minister has a dual responsibility, because he has the guardianship of the protected interests and the labour interests. Did my hon. friend protect the interests of the consumer? What did he say to my hon. friend from Richmond (Mr. Kyte) and my hon. friend from Westmorland (Mr. Copp) when they asked him when there was going to be some relief? He said, After the war is over you can buy cane sugar at the same old figure. Is that not a bright prospect to hold out to the people? What is the use of his regulations number, 13, 15, 14, 4 or 6, or whatever numeral it may be? He says hope springs eternal in the human breast, and we hope that some day the war will be over and that we will get back to old prices. Last year we did not think the war was going to be over, although some of us indulged in the hope that it would.

Mr. CROTHERS: All I was talking about —and I think my hon. friend from Moosejaw knows it—when I was speaking to my hon. friend from Westmorland, was freight.

Mr. KNOWLES: Really, I do not know.

Mr. CROTHERS: Yes, that is the question he asked, when we were going to get any relief for tonnage.

Mr. COPP: No, not at all, that was not the question I asked.

Mr. CROTHERS: Hansard will show it is.

Mr. COPP: If Hansard shows that, it is absolutely wrong, because that is not what I asked.

Mr. CROTHERS: I remember quite well.

Mr. KNOWLES: I admit that freight has as close a relation to the question that was put to him as the Farmers Bank has to Reciprocity, and that is about as close as we expect the minister to get to anything. He does say, however, that when the war is over things will come back to normal and we can buy sugar and other things at the old prices. What is the good of wasting money on all these post cards that he has? What is the good of filling the department up with a lot of information such as he read to us in his most entertaining and fascinating style to-night? It is thrilling to listen to him, a rare treat to hear an address such as we heard, regulation 6, regulation 3, regulation 5, but that is not going to reduce the price of food even in the Minister's own estimation, and I think if he cannot seriously address himself to this problem, he should stop trifling with it. He laid down a principle I was sorry to hear him enunciate, because I do not want the minister to go so far that the Government would let him out. It would be a great loss to us on this side if anything happened to him. One of the greatest friends we have, in a political sense, is my hon. friend, especially among the labour people; a real asset is my hon. friend, and we certainly would not want to lose him. But I think if, I understood him his position is that he makes Orders in Council, puts them through, has them approved of by His Excellency, and then he says to the provinces: You go on and execute this and see that it is obeyed. If I understand him aright that is his position. If that is his position, the people of Canada may as well know that he is just trifling with this very serious state of affairs, just trifling, laughing again, because that is all he is doing if he does not address himself to the enforcement of these regulations and the actual bringing about of what he wishes to accomplish. Suppose the Minister of Customs took that attitude, that he simply passed his regulations or laws declaring that it is a criminal offence to smuggle, and then left the provincial governments to get after the smugglers and enforce the law. He would soon find that the customs revenue decreased and that the customs laws were not enforced. And may I not say the same of the Finance Minister? If he did not see that the banks and insurance companies behaved themselves, the result would be very serious. It is a common thing for him to make them obey the laws that have been put in force. And so, with the war upon us, with this great crisis upon us with regard to exorbitant prices, the Minister of Labour has not discharged his duty, not one-quarter discharging it, when he has merely made an Order in Council and has said: I am not going to do anything to have it enforced. I appeal to the minister to use some of the machinery in his department —and a very good department it is in many ways and no doubt he has many excellent officials, and no doubt he himself has a good fundamental knowledge of how it should be administered, through his legal training—I appeal to him to use some of that machinery and to say that from now on he will not only make the laws but compel people to obey them, and not say that it is up to the provincial governments. That does not satisfy the people of Canada. He does not do his department or the Government of which he is a member justice by saying: we will pass an Order in Council and let the provinces enforce it or not as they please. This is a matter of Federal concern and Federal administration, as well as Federal legislation.

My hon. friend also made reference to the food control in the United States. I do not think his reference was a very happy one because the food control in the United States has been appointed, and has been so lately appointed that you could not expect results from its appointment. But the very fact that in the United States they have decided to appoint a food controller shows that they are proceeding to do what they can to control exorbitant prices. But the Minister of Labour here has not decided that he will even take such a step as that. I say that so lately has the food controller in the United States, Mr. Hoover, been appointed, that there is no help to the minister in making such a comparison.

My main motive in rising is to urge the minister not only to make the legislation, Orders in Council and Acts of Parliament, but really to enforce them; and I am sure that he will find the provincial governments

willing to co-operate, on whichever side of politics they may be, and in that way some good really may be achieved. I ask the minister if he will not take into consideration the matter of not only enacting these pieces of legislation but of enforcing them throughout Canada.

Mr. COPP: I certainly was much disappointed to realize that it is absolutely impossible to get any assistance from any agency with reference to the high cost of living as we have it to-day in Canada. The Minister of Labour says that hope springs eternal in the human breast. I still have hope that the minister is not expressing the absolute, decided, policy of the Government in doing nothing with regard to this very important matter. I am not here to quarrel with the Minister of Labour in regard to his department or his laxity here, there or elsewhere. But I do want to impress upon the Minister of Labour and upon the Government of this country the seriousness of the condition of affairs throughout Canada with regard to the high cost of living as it affects the ordinary common people of this country. When my hon. friend tells me, and I presume seriously, that it is absolutely impossible to reduce the price of coal to be sold and delivered to the common people of the city of St. John and other sections of distribution in my own province in the coming winter for less than $15 or $20 a ton—

Mr. W. H. BENNETT: Would you allow the rich people to have it at the same price?

Mr. COPP: Yes.

Mr. W. H. BENNETT: My hon. friend is not a demagogue?

Mr. COPP: I am not a demagogue. I say on behalf of the ordinary poor people of this country that if the rich man can afford to pay $15 or $20 for coal, I have not the same sympathy with him as I have with the poor people who cannot pay that price. And I can say to the hon. gentleman, and I say it as sincerely as I ever spoke, that if, during the coming winter, a number of the common people in the city of St. John and the city of Halifax and other cities throughout Canada have to pay $15 or $20 a ton for the coal which they burn, they are facing a coal famine in this country; and if they have to pay $15 and $16 and $17 a barrel for their flour, they are facing starvation. I still hope that the Minister of Labour and the Government of which he is a responsible member may yet see their way clear to change their view and do something. The day is not too late and the time not too far spent for them to do something in the interests of the people who must suffer during the coming year unless something is done to decrease the cost of living in Canada. I am not here to talk politics.

Some hon. MEMBERS: Oh, oh.

Mr. COPP: No. My hon. friends laugh. I am not here to talk politics in regard to this matter. I am speaking on behalf of men and families under the conditions throughout this country, and I know those conditions and hon. gentlemen opposite know them. I venture to say that there are a number of hon. gentlemen opposite who will agree with me that unless something can be done to decrease the cost of living in Canada a very large number of people are going to feel it and feel it very severely. I do on behalf of these people ask the Minister of Labour and the Government yet to consider carefully if some action cannot be taken that will, in some small degree, assist the people in regard to the reduction of the cost of living.

Mr. McKENZIE: The increase in the price of coal in Montreal and elsewhere in Canada is due, not to the putting up of the price by the coal companies, but to the increase in the cost of transportation, over which the man who produces the coal has no control. The Dominion Coal Company and the Nova Scotia Steel and Coal Company had steamers carrying their coal at reasonable cost, but these steamers have been taken from them and the coal is now put on board cars, the man who takes it away paying the cost of transportation. The coal producers should not be blamed for the cost of transportation.

Mr. CROTHERS: I was speaking of exclusively anthracite coal.

Mr. McKENZIE: I understand that even soft coal is extraordinarily expensive in some places. Steps should be taken to yard large quantities of coal at Montreal, St. John and other places. The member for Westmorland points out that a serious condition faces the people in the province of New Brunswick. When a grave condition prevailed in 1905, in the matter of hay, the Government came to the assistance of the people in Nova Scotia by giving them free transportation of hay from Mont-

11 p.m. real and other places in the West, for which they were very grateful. I will not object to any expendi-

ture the Government may make in an effort to prevent famine. If there is to be conscription of men, no better conscription could be had than that of having the men work in the coal mines and produce enough coal to make the supply plentiful. Ample quantities of coal are available for mining; we have railway facilities under our control, and the question of the supply of coal is not a serious one if properly handled. Pulp, for instance, is no more a natural product of our country than is flour. Everything that enters into the production of pulp is found in our own country, and the same may be said of flour. It was alleged that the price of newsprint had gone beyond a proper figure, and the Government, under the War Measures Act, cut down the price to what the producers of the commodity say is too small a figure. If it is proper to cut down the price of newsprint, why not cut down the price of flour to a proper figure? If they are charging too much for wheat, why not cut down the price? If they are charging too much for milling, why not cut down the price and enable the people to obtain the staff of life at a reasonable figure? I appeal to the minister on behalf of thousands of coal miners, fishermen, lumbermen and farmers, who cannot get flour without paying $17 a barrel for it. When they were paying $6 and $7 a barrel for flour, the price was regarded as high; I do not know how they will be able to obtain sufficient flour at $17 a barrel. It would not be so bad if the minister could say that he had investigated the price of wheat and the conditions surrounding its milling, transportation and sale, and could announce that it was impossible to sell it at a lower price. But this is not the case. We were told not long ago that over a hundred million bushels of wheat were stored in various places throughout Canada. Before long we shall have a new crop. Is it not extraordinary that with that large quantity of wheat on hand, and with the prospect of another abundant crop in the near future, the price of wheat and flour should be so high? The matter of news print has been dealt with; why not take some steps in the matter of potatoes, flour, butter, fish or any of the other necessaries of life for which we are now paying too much? Why not bring the prices down within the reach of the poor man; or, at any rate, be able to tell him that we have done the best we could? The evidence submitted by the minister is not enough to satisfy me that proper effort has been made to make the necessaries of life as cheap to the poor man as possible, under the extraordinary conditions that now prevail. Arguments advanced in times of peace, plenty, happiness and contentment, are not applicable to these terms of stress and strain. Action on the part of the Government must be suited to present conditions. The people must be protected, even if, after the war is over, we should have to pay the men from whom we took the wheat, flour and other commodities for the benefit of the people. But do not let there be any suffering amongst the labouring classes and the poorer classes in this country if there is anything in the power of Parliament and of the people that can divert that suffering or produce better conditions.

Mr. CROTHERS: The proposition of the hon. member for North Cape Breton that we should get information and lay it before the members of this House and the people of this country is quite a reasonable one. It is only a few months since this Order in Council was passed. I have here a full report regarding the conditions as to the price of sugar, I have another in regard to anthracite coal, and perhaps my hon. friend heard me say that we had in process of preparation other reports concerning flour, the canneries and cold storage. I am going to lay all these on the Table; others will follow just as soon as we can have them completed, and we shall secure a great deal of useful information from every one of these reports.

Mr. LOGGIE: When the minister was telling us about the price of anthracite coal, I understood him to say that the reason for coal being so much dearer at St. John was the fact that the coastwise freight was $5—

Mr. CROTHERS: That was one item.

Mr. LOGGIE:—and also that coal was very dear at New York city. The minister gave that as a reason why coal was so much dearer at St. John than at Montreal. Am I correct?

Mr. CROTHERS: Yes.

Mr. LOGGIE: That seems to me rather a far-fetched excuse. I do not doubt as to the facts of a particular case that may have happened in that way, but, as a matter of fact, to take coal from the pit-head to St. John cannot cost but very little more than to take it from the pit-head to Montreal; and if that be true, how can the minister make that an excuse for coal being so much dearer at St. John than at Montreal, if the rail freight from pit-head to St. John is

practically the same as from pit-head to Montreal?

Mr. CROTHERS: The coal is not taken by rail at all.

Mr. LOGGIE: That can be done. People can buy it at New York. I beg to differ in a way from the minister. As a matter of fact, I know that until last year we never got a car of anthracite coal in my town; but last year we got anthracite coal by rail, and I cannot see why anthracite coal cannot be laid down at St. John by rail at practically as low a price as it can be laid down at Montreal. The difference the minister stated as to the values at St. John and Montreal is not real in fact; it may be so in some special case, but it is not as to actual value, because there is no good reason for such a difference. The difference in mileage is very small, and there is first-class railway communication west direct from St. John. I therefore cannot understand why there should be any great difference in the cost of haulage between the pit-head and St. John and between the pit-head and Montreal.

Mr. CURRIE: The hon. member knows that the rate from the coal mines in Pennsylvania to Montreal is governed by the water rate from Cleveland to Montreal, and that if he takes coal straight by rail to St. John, the freight is higher. If the hon. member is a shipper, he ought to know that fact.

Mr. GRAHAM: A little earlier in the evening a matter came up with reference to the application of the fair wage clause to the Imperial Munitions Board contracts, and some hon. members wish to discuss that question. As the only way we can discuss it is by keeping an item open, I would suggest that we let all go through except one.

Mr. CROTHERS: Leave the last one.

Progress reported.

On the motion of Hon. Mr. Rogers the House adjourned at 11.12 p.m.

Tuesday, June 5, 1917.

The House met at Three o'clock, the Speaker in the Chair.

PRIVATE BILLS.

FIRST READING OF SENATE BILLS.

Bill No. 60, respecting The Essex Terminal Railway Company.—Mr. Wilcox.

Bill No. 61, for the relief of Charles Frederick Reuben Jones.—Mr. Kay.

Bill No. 62, for the relief of Florence Amelia Kennedy.—Mr. Edwards.

Bill No. 63, for the relief of John Bassnett Parker.—Mr. A. H. Clarke.

Bill No. 64, for the relief of Amy Beatrice Mathews Hilton.—Sir Herbert Ames.

PRINTING OF PARLIAMENT.

Sir Robert Borden moved:

That Sessional Paper No. 183, laid on the table of the House on the 1st June, instant, comprising reports from the several departments of the Government in respect to printing, etc., pursuant to a resolution of the House of the 18th May, 1916, be referred to the Joint Committee of both Houses on the Printing of Parliament.

He said: The C mmittee on Printing last year made a very full report with regard to printing, and poir ted out that a saving in expenditure might be effected in several directions, which they enumerated. That report was referred to the several departments of the Government with a direction that as soon as possible after the opening of the next session a report or memorandum should be laid on the Table indicating to what extent it might be possible to carry out the recommendations of the committee, and in what respect, if any, those recommendations were not feasible. The reports of the several departments have been received and laid on the Table, and it is now proposed to refer them to the committee which initiated the matter.

Sir WILFRID LAURIER: I remember perfectly well the report on printing which was presented by my hon. friend from North Simcoe (Mr. Currie) last year. I thought at the time that it contained some very important suggestions which, if followed, would result in a saving to a very considerable degree. I have not yet seen the Sessional Paper laid on the Table on the 1st instant, and I would ask my right hon. friend to let his motion stand over until tomorrow.

Sir ROBERT BORDEN: Certainly.

Motion stands.

MINISTER OF MINES.

On the Orders of the Day:

Hon. G. P. GRAHAM: For some reason I have received several telegrams urging the establishment of a separate portfolio of mines with a minister at its head, two of them, I think, coming from officials of the Mining Institute. W(uld my right hon.

friend say whether the Government are considering taking any action in that regard?

Sir ROBERT BORDEN: I really have not given very much consideration to that in the immediate past. My hon. friend's experience in receiving telegrams on that subject is not an unusual one, for I have received a very great many communications on the subject myself during the last three or four years.

Mr. GRAHAM: But why should I get them?

Sir GEORGE FOSTER: Query.

Sir SAM HUGHES: Coming events.

Sir ROBERT BORDEN: I must permit my hon. friend to make any conjecture on that subject that he thinks desirable.

BANK ACT AMENDMENT.

On the Orders of the Day:

Sir THOMAS WHITE: I would direct the attention of the House to Order No. 21, referring to Bill No. 56 to amend the Bank Act. I introduced this Bill some little time ago. It has received its first reading and now stands on the Order Paper for its second. After introducing the Bill I found that it had been the practice to proceed with a matter of this kind, which is connected with Trade and Commerce, by resolution in the first instance. The same Bill now appears under Order No. 26, as Bill No. 65. I therefore beg to move:

That the order for the second reading of Bill No. 56, to amend the Bank Act, be discharged and the said Bill be withdrawn.

Motion agreed to.

PROHIBITION OF THE LIQUOR TRAFFIC.

Mr. MARCIL: Has the Government under consideration at the present time any measure looking to the national prohibition of the use of intoxicating liquor as a beverage? Has the Government received certain communications which have been sent members? One letter stated that the legislation was to be introduced this session.

Sir ROBERT BORDEN: The Minister of Justice (Mr. Doherty) has under consideration some suggestions that have been made to him on behalf of organizations throughout the country respecting an amendment of the Act which was passed last year. It is very likely that the suggestions placed before him embraced the wider question to which my hon. friend (Mr. Marcil) has referred. But with respect to both these matters, I am not in a position to make any announcement at this time.

CIVIL SERVICE ACT AMENDMENT.

SECOND AND THIRD DIVISIONS OF THE SERVICE

On motion of Sir Thomas White (Minister of Finance) the House went into Committee to consider the following proposed resolution, Mr. Blain in the Chair:

Resolved,—That it is expedient

1. To repeal subsection two of section twenty-six of the Civil Service Amendment Act, 1908, and provide that any person placed in the Third Division upon the coming into force of that Act, and who had theretofore passed the Qualifying Examination, may be promoted from the Third Division to the Second Division by the Governor in Council upon the recommendation of the head of the Department based upon the report in writing of the deputy head.

2. That sections twenty-nine and thirty and subsection one of section thirty-two of the said Act be repealed and that it be provided that in the Second Division the minimum and maximum salaries shall be as follows:—

In subdivision A, $1,600 to $2,100;
In subdivision B, $1,000 to $1,600;

that in the Third Division the minimum and maximum salaries shall be as follows:—

In subdivision B, $500 to $1,000;
In subdivision A, $1,000 to $1,300;

and that the minimum and maximum salaries for the positions of messenger, porter, sorter and packer and such other positions in the lower grades as are determined by the Governor in Council shall be $500 and $1,000 respectively.

3. That it be provided that the Governor in Council may grant an increase of one hundred dollars to any clerk in the Third Division of the Inside Service of the Civil Service and to any person holding any of the positions mentioned in section thirty-two of the Civil Service Amendment Act, 1908, who

(a) is reported by the deputy head to be deserving of such increase; and
(b) is in receipt of a salary of less than one thousand dollars.

4. That it be provided that any person now serving in either the Second or Third Division of the Inside Service whose salary is less than the minimum salary for such division as proposed by the second of the preceding Resolutions shall have his salary increased to such minimum.

5. That it be provided that all increases granted under legislation to be based upon the third and fourth of the preceding Resolutions shall take effect from the first day of April, one thousand nine hundred and seventeen.

6. That it be provided that nothing in the legislation to be based upon these Resolutions shall prevent any person from receiving any annual or other increase that may be granted to him under any other Act.

7. That it be provided that any payments or increases authorized by any legislation based upon these resolutions be payable out of any unappropriated moneys in the Consolidated Revenue Fund of Canada.

Sir THOMAS WHITE: Owing to the conditions which have prevailed for some

time past, and which have been accentuated during the last few months of the war, it has been considered expedient to bring down legislation to provide for the increases and other changes set forth in this resolution. When I placed the resolution upon the Order Paper, I was under the impression that under section 33 of the Civil Service Act it would be open to the Government to grant a minimum salary of more than $500. I find that that is not quite a correct understanding of the position, and I therefore have to suggest an amendment to provide that the minimum salary in subdivision A of the Third Division be $600 instead of $500. This minimum salary of $600 will also apply to the messenger, porter, sorter and packer class referred to in one of the provisions of the Civil Service Act. I have a further amendment to propose with regard to those in the Second Division, to the effect that the annual increase be $100 instead of $50 as at present provided. Substantially what is proposed is this: In the Third Division, the salaries in subdivision A, which are now from $900 to $1,200, will be from $1,000 to $1,300; and in subdivision B, where the salaries now are from $500 to $800, they will be from $600 to $1,000. We further provide, with respect to the messengers, porters, sorters, packers, and certain other positions in the lower grades determined by the Governor General in Council under the Civil Service Act, that the minimum and maximum shall be $600 and $1,000 respectively. It is further provided, in order to meet conditions as to the higher cost of living, that the Government may grant an increase of $100 to any clerk in the Third Division of the Inside Service, or to any person holding any other position mentioned in Section 32 of the Civil Service Amendment Act of 1908,—that is, messenger, sorter, or packer—who is reported by the deputy head to be deserving of such increase, and who has now a salary of less than $1,000.

The legislation will also provide that any person now serving in the Third Division of the Inside Service, whose salary is less than the minimum salary for such division, as proposed by these resolutions, shall have his salary increased to such minimum. That is, if a clerk is getting $500 he goes to $600, as that is the minimum which we provide. We propose further that the increases granted under this legislation shall take effect from April 1 last—that is they shall begin with the present fiscal year.

In order to meet what has been regarded by the Service and the Government as a grievance on the part of certain of the Service in the Third Division, who had passed the qualifying examination prior to the enactment of the present Civil Service Act, we provide that they may be promoted from the Third Division to the Second Division, upon the report in writing of the deputy head. I shall, if required, explain that more in detail when the section concerning it is under consideration by the committee. In order to provide for the amendments I have indicated, I beg to lay upon the Table the resolution in full, with the changes which I have suggested—namely, the minimum salary raised from $500 to $600 in respect to those I have named; and an increase of $100 per annum instead of $50 per annum in the Second Division.

Mr. MURPHY: Would the minister be kind enough to explain the application of subsection 6 of the resolution?

Sir THOMAS WHITE: That means that they proceed as they do now, getting the annual increase to which they are entitled under the Civil Service Act.

Mr. MURPHY: It will not prevent them from receiving any other increase?

Sir THOMAS WHITE: No. For example, a clerk receiving $600 will receive his $50 increase and he will receive in addition to that, if deserving, as I assume all or nearly all would be, $100; so that he will receive $750 or $150 over and above what he is getting now.

Mr. MURPHY: The phraseology seems to indicate some other Act than the Civil Service Act "under any other Act."

Sir THOMAS WHITE: This will be the Act—the amending Act. The intention is that the present provisions of the Civil Service Act will continue to apply.

Mr. DEVLIN: Will the minister be good enough to tell the House what the letter carriers will get by this resolution?

Sir THOMAS WHITE: This applies to the Inside Service. I understand that the case of the letter carriers is under consideration by the Postmaster General. I stated some time ago that in so far as the Inside Service is concerned, we should deal with it by legislation and that in so far as the Outside Service is concerned, the matter would be dealt with in the Supplementary Estimates. Provision will have to be made in the Supplementary Estimates to the ex-

tent of the amount necessary to take care of the recommendations of the ministers with respect to the Outside Service.

Mr. DEVLIN: Will the labouring classes, the carpenters, electricians and others receive absolutely nothing under this resolution?

Sir THOMAS WHITE: This resolution is an amendment to the present Civil Service Act. Being an amending Act, it does not cover more than is covered by the present Civil Service Act. The case of those in the Outside Service as distinguished from the Inside Service will be dealt as it is now dealt with under existing legislation in the Estimates and upon the recommendation of the minister. Take, for example, a customs official; the Minister of Customs may bring before the Treasury Board, and through the Treasury Board to Council, a recommendation that $50 or $100 be added to the salary of that customs official. The money to pay for that increase is provided for in the Estimates. The Outside Service is always dealt with on the recommendation of the ministers through the Treasury Board by Council and by Parliament by assenting to the votes, which are contained each year in the Estimates.

Mr. DEVLIN: Does not the minister think that the better way to meet the increased cost of living would be by giving the Service all round a bonus of $100 and by raising the yearly increases from $50 to $100?

Sir THOMAS WHITE: There are many considerations arising in connection with this question. In the first place, there is a desire on the part of all of us to do justice to the Civil Service. On the other hand, we cannot lose sight of the public. The salaries of the civil servants run from $500 to $5,000. When we get up to salaries ranging from $2,000 to $3,000 and $4,000, they are fairly substantial as compared with salaries outside. It is in connection with the lower grades of the Service that the pinch comes. I think we must have regard to public opinion. I should doubt as to whether public opinion would be favourable to a wholesale increase in the salaries of civil servants. We have thought that we have reasonably met the situation—and I believe the Civil Service feel that we have done so—in dealing with the Third Division and with the Second Division by increasing the minimum and the maximum in the Third Division, by providing for annual increases of $100 instead of $50 in the Second Division and by dealing with messengers, sorters and packers in the way I have indicated. Having given the whole matter a great deal of consideration and having been in consultation with the representatives of the Civil Service, unless I am entirely misinformed, I think I am safe in saying that this Bill will substantially meet the situation as far as the Inside Service is concerned with which it purposes to deal. This does not mean that the Outside Service will not be dealt with. We are introducing legislation for the purpose of amending the existing Civil Service Act which applies only to the Inside Service and which is necessary to meet present conditions.

Mr. DEVLIN: There is only one more point and I shall have finished. I have received several communications in connection with this resolution and a good many along this line. Here is a man who writes to me and says that he was appointed in 1902, that he passed the qualifying examination in 1904, that in 1906 he was appointed to the junior second class, and that in the spring of 1908 he passed the promotion examination. In the spring of 1908 he had all the papers necessary for his appointment to the senior second class settled, but owing to a delay caused by the Treasury Board they were left on the shelf too long. The result was that on September 1, 1908, the Civil Service Act was passed and his papers were of no value. He was classed, as he then was, as a junior second class clerk and went automatically into class A of the third division. He was then getting $1,150. He got the $150 increase that was given to all the service at that time, but that only benefited him by the sum of $50, as that put him to the maximum of $1,200. He represents that he has lost $2,000 since.

Sir THOMAS WHITE: You mean that he cannot take the examination that would take him out?

Mr. DEVLIN: No. This particular man whose letter I read is in charge of a branch. He has a secretary and four clerks working under him and the clerks are receiving a higher salary than he gets. Others in the same department who have been working there 20 years are getting $1,200. I understand there are some such in the Post Office Department, others in the Interior Department, and others, again, in other departments. Will this resolution benefit that class in any way?

Sir THOMAS WHITE: If my hon. friend will observe the first section of the resolution he will see that we propose to provide that any person placed in the third division upon the coming into force of the Civil Service Act, and who theretofore had passed the qualifying examination, may be promoted from the third to the second division by the Governor General in Council upon the recommendation of the head of the department, based upon a request in writing from the deputy head.

Mr. PUGSLEY: At what salary would he go in? At the minimum, he gets $1,000.

Sir THOMAS WHITE: No. The point is this: when the Civil Service Act was passed in 1908 there were men in the Civil Service who had passed the qualifying examination and some the promotion examination. I believe I am within the mark in stating that the Government of the day did not intend that these men should be obliged to pass an academic examination to qualify them for higher positions. Nevertheless, on account of the attitude taken towards the legislation by the Civil Service Commission, men in that class have found themselves obliged either to take the academic examination or to remain in that class, no matter what their office qualifications might be.

Now there are many men who have passed the age at which they could get up the work necessary to pass a stiff academic examination, quite the equivalent of university matriculation. I doubt very much if there is a man in this House who to-day could pass the matriculation examination, or even the entrance examination to the high school. I do not believe there is a man here who could pass the matriculation.

Mr. PUGSLEY: I would not emphasize that too much.

Sir THOMAS WHITE: I doubt if even the hon. member for St. John (Mr. Pugsley) could pass the matriculation examination. I do not mean to say that if he applied his intelligence, great as we know it to be, to study for say six months or a year he would not be able to get through—barely get through.

Mr. MICHAEL CLARK: Does not my hon. friend think that the hon. member for St. John would persuade the examiners that he had passed?

Sir THOMAS WHITE: Yes, I think if he tried to pass he would manage in some way to pass. At all events, it has seemed to us that this constitutes a real hardship. I am not blaming the Civil Service Commission. I am not passing any censure on them. No doubt they are discharging their duty as they see it, but it does seem to me that it is a real hardship that those men who had been in the service prior to the passing of the legislation should be forced to pass an academic examination to get out of that class, notwithstanding that they might be exceedingly competent in the duties of their office. Without elaborating too much on that, I may say that I have looked up the matter and I find that in all Civil Service legislation passed prior to that date, the rights of those in the service were observed; and, further than that, I may say that, so far as I can gather from the debates, it was not the intention of the late Government that these men should be compelled to pass an academic examination in order to get out of that class. In proof of that I propose to read to the House one or two extracts from Hansard. For example, the Hon. Mr. Fisher, who I believe had charge of the Bill, said in the debates of the session of 1908, on page 11378:

> The Civil Service is to-day established on certain lines; the men who have entered the Civil Service have entered it on certain conditions and are entitled to the consideration due to those who are in the place which they have attained to under certain laws, rules and regulations. We are proposing a new and more difficult entrance to the Civil Service, but we have to recognize the rights of those who are to-day in the service.

And then in the Senate Sir Mackenzie Bowell, at page 1600 of the debates of 1908, referring to the third class clerks, asked:

> Will that officer be compelled to go before the new Commission and be examined again before he can be promoted?

The Hon. Mr. Scott, representing the Government in the Senate, replied:

> I think not. It would not be fair. I do not think the Bill is intended to be ex post facto; it is intended to be prospective. The Act will not go into force until September, because it will take some time to organize under it. It is quite impossible to fathom exactly where it will lead to, but I think I am quite safe in saying that an official who is now qualified for promotion could not be disturbed.

Then, Mr. Fisher, in dealing with the provision of the Civil Service Act which provided that men of this class might be eligible for promotion with or without examination, said:

> With or without examination, as is determined by the regulations of the commission.

Then he goes on to say:

> The principle adopted is to leave to the Commission the way in which they would obtain their information on which to base their certi-

ficate of qualification. They may do that on the record of the clerks in the department without making any examination, and they might on it give a certificate of qualification for a promotion. Or they might not think that conclusive, and they might prefer to hold an examination. They might also think it better to hold a competitive examination. They would not hold a competitive examination unless the head of the department nominated two or three different clerks in it for promotion.

It is perfectly clear to me that when the Civil Service Act was brought down, following the practice that had been adopted in previous legislation of the sort, it was the intention of the Government that those who were in the third class in the Service should be eligible for promotion without having to pass a stiff examination, that is to say, if they had passed the qualifying examination. There has undoubtedly been a great deal of feeling in the Civil Service that there has been an injustice to that class. I think there is substantial ground for that feeling. I do not pass any adverse criticism upon the Civil Service Commission. They, no doubt, as I have said, are carrying out their duties as they think they ought, but the fact remains that under that Civil Service Act a number of very capable men have been denied promotion because they have not been able to take the academic examination. I have taken the trouble to make inquiry among deputies on whose judgment I feel I can rely, and they tell me there are many cases indeed of hardship in which men such as the man referred to by the hon. member who has just taken his seat, well qualified men, cannot get out of that class because they cannot take a stiff academic examination.

Mr. PUGSLEY: How would this work out? I know a man who has been thirty years in one of the departments in the position the minister speaks of. He has three boys, I believe at the front. He is getting $1,200 after thirty years' service, being at the maximum of the third division. Under the resolution of my hon. friend, as I understand it, he can be promoted to the second division. That is the intention. But where would he go in the second division? You see the minimum of the second division, subdivision B, is $1,000. If he goes into the second division, unless the minister makes some provision, he cannot go in at a higher salary than he is now receiving, $1,200. Therefore, though he would get an increase in the future, he would get no immediate increase, and I understood one idea the minister had, in view of the present condition of affairs, was to give these junior clerks some immediate advantage to the extent of a couple of hundred dollars.

Sir THOMAS WHITE: Up to $1,000.

Mr. PUGSLEY: It is not intended to go beyond that? Then the case of the clerks to whom I referred and whom my hon. friend has in mind—there are seventy or eighty of these who have been a long time in the service—would get no immediate benefit. The only advantage would be that they would get promoted to subdivision B of the second division without passing an academic examination.

Sir THOMAS WHITE: That is it.

Mr. PUGSLEY: That is the only benefit these men would get.

Sir THOMAS WHITE: The benefit they get is that if they are recommended by the head of the department and by the minister, they are put in precisely the same position as if they had passed an academic examination. In other words, they are eligible for promotion as positions are vacant to which they may be promoted.

Mr. PUGSLEY: They get no immediate benefit.

Sir THOMAS WHITE: They get no immediate benefit except this, that if they remain in the third division, we have extended the maximum of the third division, as my hon. friend will observe, to $1,300.

Mr. W. F. MACLEAN: Can the minister say approximately to how many individuals these resolutions would apply and how many in each class; and also the total amount approximately of the increase in the Budget under these resolutions?

Sir THOMAS WHITE: I will try to find out how many are in the Third Division and how many are in the class which we have just been discussing, namely, those who were in the service prior to 1908. My recollection is that about 400 who were in that class prior to 1908 may now be eligible for promotion if recommended by the deputy minister and the minister, without passing an academic examination. I will have the information when we are in committee after the second reading of the Bill.

Mr. PUGSLEY: Why should not a man who is by this measure promoted from the Third to the Second Division, and who has been for years at the maximum salary of $1,200, receive the new maximum of $1,300?

Sir THOMAS WHITE: I think we could provide for that in the Estimates.

Mr. PUGSLEY: I would not do that; I would make it general.

Sir THOMAS WHITE: I would not think it desirable to lay down a general rule as to the amount a person should receive upon moving from the Third to the Second Division. Under the present Act the salaries of those in the Third Division run from $500 to $1,200, and in the Second Division from $800 to $2,100. The same anomaly, therefore, if there is an anomaly, exists under the present legislation; it has never been drawn to my attention that there was any hardship. I am rather of the opinion that promotion could take place to an equivalent salary in the Second Division; I will look into that point.

Mr. MORPHY: The minister has not been been any too generous to what might be called the under-class of the service. Having regard to the present cost of living, I do not see how any one, especially if he be a married man with children, can live on $600 a year.

Sir THOMAS WHITE: We are giving him more.

Mr. MORPHY: You are giving him more if he deserves it and if it is within the power of some one to say that he deserves it. I think the minimum salary might reasonably have been placed, without any qualification, at $800. If a man in the service is any good at all, he should get at least that amount. at all events during the time through which we are now passing. Further, I apprehend that in the Inside Service there are many young single men, physically fit, who ought to be at the front. Does the minister give me to understand that these men are to receive increases under this proposed legislation? Is the measure to be applied to men who, instead of fighting their country's battles, are staying here and drawing their salaries while the boys are dying at the front? And does this increase apply to the men who bravely went from the Civil Service to the front? Are they watched and protected? Does the fact that they have gone to the front prejudice their position? These things appeal to me very strongly. I could not help but feel impressed that this measure would have the effect of raising the salaries of some young men who should be doing their share in the country's cause. If I am wrong, I should like to be put right, but these are my sentiments and I think that they are deserving of consideration by the Government.

Sir THOMAS WHITE: My hon. friend regards the minimum salary of $600 as too small. Some of those who entered the service are quite competent, others are entirely untrained. Very often these are young girls.

Mr. MORPHY: Messengers, packers and sorters are not young girls.

Sir THOMAS WHITE: I am speaking of the third division; I will speak later of the class referred to by my hon. friend. In the opinion of some of the ablest deputies whom I have consulted about the matter, even $500 is a fair salary, having regard to conditions that prevail outside, for many at least of the young people who come into the service, and who have no practical training. On the other hand, that amount is, of course, not enough for a grown man, especially one who has a family, to subsist upon. We are regardful of that situation, and even at the risk of paying $600 to some of those whom I have mentioned—young, unqualified, not practically trained—we have determined, in view of the prevailing cost of commodities of all kinds, to make $600 the minimum salary for the third division. This, of course, applies to those clerks of whom I have been speaking. We have provided further—and I think this will apply to practically all in the third division—that for the present year the Governor in Council may give them $100 to meet the existing conditions. In addition to that, they get the annual increase of $50 provided by the statute, so that a clerk who is now getting $600 will receive this year $750.

Mr. MORPHY: May receive, I should say, if he has somebody to get him a proper entré.

Sir THOMAS WHITE: I think that the ministers can be depended upon to see that the Act is fairly administered. We are establishing at $600 the minimum salary of that class, which includes messengers, packers and sorters, and the maximum at $1,000. The existing legislation provides a minimum salary of $500 and a maximum salary of $800. They also receive the $100 increase and the statutory increase of $50 as well, so that a messenger who received $600 last year will receive $750 this year. As to safeguarding the rights of those who have gone overseas, I think that there are Orders in Council which have regard to those rights. It goes without saying that

anyone who is overseas and whose position is being preserved for him must, when he comes back, be given as good a position as he had when he went away.

Mr. MORPHY: The minister thinks there are Orders in Council?

Sir THOMAS WHITE: I am positive that there are Orders in Council. Unless I have the documents in front of me, I do not like to commit myself definitely, because I want to tell the truth, but I believe that is the position. At all events, the hon. member may be assured that the Government will have in mind the right of those who have gone overseas to take up, when they return, as good a position as they would have had if they had remained here instead of doing as they have done, going to the front and offering up their lives.

Sir SAM HUGHES: Are the civil servants who are serving at the front receiving the statutory increases the same as those who remain at home? I am told that they are not.

Sir THOMAS WHITE: I am speaking again from recollection, but with some positiveness. I believe that this is the situation. At first, when a civil servant enlisted, it was provided that he should receive the salary which he was getting in the Civil Service. I think the annual increase was overlooked. My recollection, and my advice from my colleague here (Mr. Crothers), is that an Order in Council was passed to provide for the statutory increases being given.

Sir SAM HUGHES: To those at the front?

Sir THOMAS WHITE: To those at the front, so that they will find themselves when they come back in the same position as they would have been if they had not enlisted. If that has not been done, I can say it will be done, but I think it has been done.

Sir GEORGE FOSTER: If it has not been done, it will be done.

Mr. PUGSLEY: I am informed that a third Order in Council dealing with civil servants has recently been passed, under which a civil servant if he enlists receives no portion of his salary. Is that the case?

Sir THOMAS WHITE: I think an Order in Council of that nature has been passed, but that was in view of the compulsory service legislation which is about to be brought down.

[Sir Thomas White.]

Mr. PUGSLEY: That is not passed yet?

Sir THOMAS WHITE: At all events that point does not seem to be relevant to this matter.

Mr. PUGSLEY: It is peculiar that the Government should pass an Order in Council in view of legislation that has not yet been considered.

Sir THOMAS WHITE: In regard to enlistments from the Civil Service, I have been informed by Civil Service representatives that the total enlistments from the Civil Service at Ottawa are 981, and that the total enlistments from the Civil Service outside of Ottawa are 2,827, making a total enlistment from the whole service of 3,808. That is stated to be an incomplete return, as no records of new enlistments have been received from several departments for some weeks past, and there is one department in which there is no complete record. This legislation applies to all who are at present in the Civil Service. If the compulsory service legislation is passed, as I believe it will be, then the Civil Service will be subject to its provisions just the same as individuals outside of the Civil Service. The Civil Service, it seems to me, is in the same position to-day as the rest of the community; that is to say, there has not been compulsory service enforced by the Government; the enlistment so far has been voluntary; it has been open to a member of the Civil Service, as it has been open to any one outside, to volunteer or not to volunteer, and this resolution which I have brought in applies to the Civil Service as it stands to-day, those who have enlisted and those who have not enlisted.

4 p.m.

Mr. PUGSLEY: It is a most extraordinary thing for the Government to pass an Order in Council discriminating, from the date of the passing of the Order, which I understand was about a week ago, against civil servants who may enlist, irrespective altogether of the coming into force of any compulsory service. I have seen it stated in the papers, and I am told it is true that an Order in Council has been passed providing that those members of the Civil Service who enlist after the passing of the Order shall not be entitled to receive any portion of their salary. That Order in Council has been passed altogether irrespective of compulsory service, and indeed I think it is an extraordinary assumption for the Government to pass an Order in Council

the effect of which is to discourage civil servants from voluntary enlistment, and to state that that Order is passed in view of a compulsory measure which may or may not be passed. If I were a member of the Government I would not like to assume what the House of Commons or the Senate might do; I would rather wait until the measure was explained to Parliament and until Parliament had taken action with reference to it. The effect of this Order in Council is to say to every civil servant: If you enlist after this Order is passed you will be discriminated against; you will be treated in a different way from that in which other civil servants have been treated. It is in effect the Government saying to every civil servant: We do not want you to enlist. If my information is correct we have three distinct and contradictory provisions in regard to the Civil Service. We have one class of enlisted civil servants, who receive not only their military pay, but their full Civil Service pay; we have another class of enlisted civil servants who receive their military pay and the difference between their Civil Service pay and their military pay, and now, under this last Order in Council, we have another class of enlisted civil servants who will receive simply their military pay, and who have been deprived altogether of their Civil Service pay. It seems to me that is an extraordinary state of affairs to have three different provisions relating to the same class of boys who may enlist for service at the front.

While I am on my feet let me ask the minister why he makes this provision in paragraph " 3 " of the resolution:—

> That it be provided that the Governor in Council may grant an increase of one hundred dollars to any clerk in the Third Division of the Inside Service of the Civil Service and to any person holding any of the positions mentioned in section thirty-two of the Civil Service Amendment Act, 1908, who
>
> (a) is reported by the deputy head to be deserving of such increase; and
>
> (b) is in receipt of a salary of less than one thousand dollars.

I know some seventy or eighty men who have been in that division of the Civil Service for 15, 20 or 30 years, and who, by reason of their long service, have risen to the maximum of $1,200. Why should not an increase be given to such men who have been so many years in the service and who have families? I know men who are receiving only $1,200 a year, who have sons at the front, and who, by reason of the high cost of living, are really in a state of distress. Yet they cannot get any increase at all because they have reached the maximum of $1,200, while a young man without any family, or a young woman who may have been but a few years in the service, will immediately receive an increase of $100, simply because, by reason of the short period of service, his or her salary is less than $1,000. Why is that distinction made?

Sir THOMAS WHITE: The reason is that the man who has been those years in the service receives a salary of $1,200, which, having regard to conditions outside, is a fairly substantial emolument. We are dealing with cases of hardship which arise in the Civil Service in cases of salaries under $1,000. If a man is receiving $1,200 a year he is better than a man who is receiving $700. There is more reason for granting an increase to a man who has only $700 a year than there is for granting an increase to a man who has $1,200 a year. My hon. friend is mistaken in his assertion that the man with a salary of $1,200 gets no increase. We have increased the maximum from $1,200 to $1,300.

Mr. PUGSLEY: He does not receive that immediately?

Sir THOMAS WHITE: He will receive the annual increase this year. That is another point in connection with the service, and it answers the question that has been raised: Why not an increase over the whole service? It must not be overlooked that under the provisions of the Civil Service Act those who are in the first division, with a salary from $2,100 to $4,000, receive an annual increase of $100; that is, the man with $2,100 this year gets $2,200 next year, and every year he is $100 better off in salary.

Mr. PUGSLEY: Where is that provided in the resolution?

Sir THOMAS WHITE: It is in the Act, which is not affected by this resolution.

Mr. PUGSLEY: I thought it was $50.

Sir THOMAS WHITE: It is $100 in the first division, and $50 in the lower divisions. My hon. friend has referred to what he regards as the extraordinary anomaly of some members of the Civil Service receiving both military and civil pay, while others receive only their Civil Service salary if that is greater than the amount of military pay they would draw, and he also referred to the latest Order in Council. I am unable to speak authoritatively at the present time with regard to that Order in Council.

Mr. PUGSLEY: Perhaps the minister would bring it down.

Sir THOMAS WHITE: I would suggest that my hon. friend ask the Prime Minister with regard to that Order in Council; it is not immediately under consideration by the committee. With regard to the other two classes, when the war broke out we decided that those who enlisted from the Civil Service should receive both their civil and military pay. That was a generous action on the part of the Government, possibly over-generous, but I think at that time nobody imagined the war would extend over such a long period, or would develop on the scale it has. Many of the large companies in this country did the same thing. I think it was not believed by any one that our expeditionary force would grow from 30,000 to 50,000, to 200,000, to 300,000, to 400,000, or 500,000. Having regard to the size of the expeditionary force which it was then thought we should send overseas, the Government thought it proper at that time to do what many of the large companies were doing, namely to pay those who enlisted their full civil pay in addition to their military pay. Afterwards, when recruiting went on on the scale it did, we came to the conclusion that the civil servant would be put more on a par with those outside if he was paid only the amount of his civil pay, if that should be in excess of his military pay. That appeared to be a fair dealing with the situation, and the expense runs into a very substantial sum of money indeed. That was the position up to the time the Order in Council was passed which my hon. friend has referred to, and about which I suggested that he speak to the Prime Minister, as I am not sufficiently familiar with its terms myself.

Mr. PUGSLEY: Perhaps the minister would ask the Prime Minister. He is nearer to him than I am.

Sir THOMAS WHITE: I do not wish to discuss the Order in Council now, as it is not immediately before the House, but I will have no objection at all to bringing his suggestion before the Prime Minister.

Mr. PUGSLEY: I thought that perhaps the Minister of Finance, being so prominent a member of the Government, might be able to get the Order in Council with less difficulty than I could, as it would take some time to get it by a formal motion. There are undoubtedly very great anomalies in regard to the pay of enlisted civil servants, and I think it is important that we should have this Order in Council.

Mr. J. L. CHABOT (Ottawa): As one of the members representing the city of Ottawa, where a large number of ladies and gentlemen are employed in the Civil Service, I desire to offer my thanks to the Government as well as to the Minister of Finance for their determination to do something to assist the civil servants, especially those of the lower grades. I think the proposal of the Minister of Finance is a fairly generous one, but I am sorry that he has not seen fit to increase the minimum salaries, especially in sub-division B of the third division, and also the salaries of messengers, porters, sorters, packers and such like. I think the minimum salary should have been made $600 or $700 instead of $500.

I wish to say a few words regarding the repeal of subsection of 2 of section 26 of the Civil Service Amendment Act of 1908. Personally, I have always looked upon that subsection, not merely as a hardship, but even a cruel measure, against the men who had been working in that class for many years. When that Act was put into force the men who had passed the qualifying examination were debarred from further promotion because they were unable to pass an academic examination such as few men in this House could pass without long preparation, and I am exceedingly glad that this subsection is going to be repealed.

I also hope the Minister of Finance will not overlook the claims of the men and women of the Outside Service, who are working for a very low salary, and are certainly entitled to as much consideration as members of the lower grades of the inside service. I am sure the Outside Service here and elsewhere are performing their duties just as efficiently as are the members of the Inside Service, and I venture to hope that the Government and the Minister of Finance will not overlook their just claim for an increase. They have to live in the same place as the inside servants, and the high cost of living affects them just as much as it does the inside servants.

Mr. J. G. TURRIFF: A civil servant who joined the first contingent would get both civil and military pay. Will this increase apply to him?

Sir THOMAS WHITE: Yes.

Mr. TURRIFF: Does not the minister think that will cause some ill feeling? There may be two men side by side, one getting only the military pay and the other both military pay and say $1,200 a year. Now the Government proposes to increase the pay of the man who is getting $1,200

more than the man beside him, and does not increase the other man's pay. That does not seem to me to be reasonable, and I think it will cause a great deal of dissatisfaction. Those civil servants who first enlisted are getting quite a big bonus over those who enlisted later. This seems to be a case of "For he that hath to him shall be given; and he that hath not, from him shall be taken even that which he hath."

Sir THOMAS WHITE: Personally I do not like to deprive any soldier of any emolument that he is receiving at the present time. There is this to be said for those who are receiving double pay. These men went forward on that understanding, and it does not seem to me that it would be just or proper to revise the conditions under which they enlisted.

Sir WILFRID LAURIER: No one is suggesting that.

Sir THOMAS WHITE: After all, I do not think the public interest is likely to suffer if these men who went forward with the first contingent, or shortly afterwards, and are in receipt of the double pay, are given a little more than possibly what on a strict business basis they might be entitled to. The same remark would apply to those who went forward on the understanding they would get their civil pay if that were in excess of their military pay. To meet the point raised by my hon. friend, about having to go to the deputy to obtain this increase, I would be willing so far as I am concerned to amend subsection A of section 3 if in the opinion of the committee any hardship is likely to result therefrom, and allow the Governor in Council to grant the increase upon the recommendation of the minister. If there is any considerable opinion in favour of it, on the part of the committee, I am willing that this should be done, but I believe that the matter is in good hands, that the Act will be administered fairly, and that no hardship will result.

Mr. TURRIFF: The minister evidently misunderstood the tenor of my remarks. I do not want to prevent the man who comes under the Order in Council from getting an increase. But why not give an increase to the man beside him, who is getting from $600 to $1,200 less?

Sir THOMAS WHITE: That does not arise under this resolution.

Mr. GRAHAM: This Government seldom does anything that pleases me, and when it does I feel like making note of it. I am not sure that the Civil Service Act has hampered this Government as much as it hampered its predecessor. I find, for instance, that section 21 has been overworked by this Government. That is the section that provides that a person may enter the Civil Service without passing an examination, on the ground of having some technical qualifications. The action taken by the minister in allowing civil servants to be promoted from one class to another without passing an examination which he calls "academic," I think, is a good one, particularly as it applies to the old employees. A good deal of nonsense is talked about Civil Service examinations—at least I think so. I always imagined, until I was enlightened on the subject by a few months' practical observation, that promotions would largely remain as they were and would be made on the recommendation of the deputy minister. Speaking practically, if I had my way, promotions should be altogether upon the recommendation of the deputy, he acting on the recommendation of the head of the branch in which the civil servant is employed. It is all very well to have an examination, but it may be that the individual who is least competent to pass an academic examination may be the one best fitted from the practical point of view for promotion. The same applies in any business; any one can apply it in his own office. While, generally speaking, it is better to have a high standard of education, yet education and practical qualifications are not always united in the same person. I found that in several cases when I was in charge of a department. The person who could pass the examination had to have the promotion, while the one who could not pass the examination was, to my mind, better qualified for the position. "But," you say, "will that remove political pull and influence?" There must be a certain amount of confidence in a department, just as in a business establishment. The deputy minister must be a man in whom the Government and the public have confidence, one as well able to judge of the ability of officers of the department as the heads of branches under whom they work. Not many agree with me, perhaps, but I would go so far as to say that all promotions ought to be on recommendation, not of the minister, but of the head of the branch, countersigned and approved by the deputy minister. My hon. friend from North Perth (Mr. Morphy) rather thinks

that this power should be removed from the deputies. I think if he were at the head of a department, or sat at the council board for a time, he would change his mind.

Mr. MORPHY: The hon. member misunderstood my views. I think the minimum salary should be fixed.

Mr. GRAHAM: I was referring to promotion, not salaries. A member of the Government is human; the members of this Government are exceptionally human so far as their friends are concerned. I am afraid that if the two members from Ottawa, whom I see here to-day and working very hard, both attacked the minister at once the minister could hardly repel them, he could hardly withstand their seductive influence. If the authority were in the minister's hands, he might suggest the promotion of an individual whom the deputy would not recommend on his or her qualifications. Leave it in the hands of the deputy minister, and it will be near enough to the minister, while at the same time the minister will not be liable to the charge of exercising political preference as he would be if the matter were left in his own hands.

Mr. CHABOT: I would go further than the hon. member for South Renfrew (Mr. Graham). I believe it would be in the interests of the country if the civil servants, Inside and Outside Services, were entirely under the control of commissions and beyond the pale of politics, both in regard to appointment and promotion.

Mr. FRIPP: I have had some experience, as hon. members know, with regard to the Civil Service. I agree with the hon. member for South Renfrew that it would be the greatest mistake in the world to do away with the recommendation of the deputy minister. It would mean that the members for Ottawa for the time being would be deluged with requests from members of the Civil Service. I believe that it is in the interest of the Civil Service that promotions should be made on the recommendation of the deputy minister. My five years' experience leads me to believe that it would be in the interest of the Service if the civil servants were removed from politics and disfranchised. That is my judgment. If the minister would go that far, and not allow the civil servant to vote or have any interest in the country politically, I think it would be to the interest of the civil servants as well as to the interest of the country at large. At present, there is a certain influence unnecessarily brought to bear on the members that I think should be avoided. I certainly think that the resolution, on the whole, is in the interests of the civil servant as well as of the country. Let the deputy minister recommend the increases. I am sure the civil servant himself will be perfectly satisfied to allow that recommendation to decide whether he is entitled to the increase or not. With regard to the members of the Third Division who are to be promoted without passing an academic examination, there are between four and five hundred men who have reached the maximum of their class and cannot get out of that division, and who are earning $1,200 a year. They have certainly been under great hardship for some years past, particularly since the high cost of living has attacked us all. We all know that the man on salary is particularly hard hit by the increased prices. Another point to be remembered is that the civil servants cannot, like our trades unions, demand increases; they must depend altogether upon the generosity of the government of the day. I hope the House will accept the resolution as it stands. I am sure it will be acceptable to the Civil Service and that they will do their duty all the better as civil servants in consequence of the legislation that it is now proposed to pass.

Mr. W. F. MACLEAN: I also am in favour of the Civil Service of this country, both inside and outside, being taken absolutely out of politics and put under the administration of a commission. I believe that all recommendations as to the promotions of civil servants should come from that commission and that there should be no outside influence as to appointment, promotion or anything else. I was under the impression that we had attained that some years ago when what we considered to be a sweeping Act was put through this House and we established a Civil Service Commission of some character. Just what it is now, I do not know. But I am convinced that public opinion is in favour of taking the Civil Service, outside and inside, away from political influence and putting it in the hands of a board, non-political in character. I believe that appointments and promotions should be made absolutely from the point of view of the Civil Service, and I believe in treating fairly and paying decently those who are in the service. I believe that reasonable promotion ought to be provided for and that when promotion does take place it should be on merit and on the recommendation of a responsible officer of the department, such as the deputy

minister or the officer in charge of the branch.

Mr. CURRIE: There is just one word I wish to add to this discussion. The idea of putting the service entirely under a commission is all right, but there is one objection to it as the system is carried out now. I think that the Government should take steps to see that appointments to the Civil Service are more equitably distributed. I have no objection to my hon. friends from Ottawa getting a fair proportion of the appointments, but as nearly as I can make out sixty or seventy per cent of the appointments to the Civil Service in Ottawa—and now it is getting worse—it is eighty or eighty-five per cent—are of people belonging to the city of Ottawa. There are other men and women in other parts of the country who are entitled to a look-in in the service. I took up the matter of finding out who were in the Inside Service when the patronage of my riding came under my purview, and on looking over the whole list I found that there had been just one man appointed to the Inside Service from North Simcoe in thirty years. I have no doubt there are other ridings in a similar position. I do not believe in this policy of the pork barrel, especially when the hand that goes into the pork barrel is only one hand, but I think we ought all to get a fair trial and that some new rule should be adopted by the different departments so that young men and women, and especially returned soldiers from other parts of the country outside of Ottawa might have a fair share of the jobs in the Inside Service.

Mr. BURNHAM: The finest Civil Service in the world is the Indian Civil Service and appointment to it is altogether by examination. There is no such thing as recommendation. The most influential man in England could not get an appointment to, or promotion in, the Indian Civil Service unless he passed the examination and got the proper standing. The door is open to the least influential person in the country if he has brains, aptitude and fitness. This business of recommendation is absurd. That there should be a difference between the conduct of the Inside and Outside Service is something that I cannot understand at all. Surely it is only reasonable that a commission should be allowed, without regard to partisanship or political preference, or anything of that sort, to manage the affairs of the service in such a way that those whose ability and fitness are indicated by their examinations should receive the preference. It seems to me strange that it should have been taken for granted that an examination must be on some abstruse mathematical problem or some extraordinary question in geography or history that a person might not be able to answer although he might have the aptitude and business for the work he undertakes. The examination ought to be of such a character as to have some reference to the man's employment. Surely it is not beyond the power of human brains to launch something of that sort. At any rate, we are not following out the best examples in other countries where the system has been worked out satisfactorily. It cannot be said that political recommendations by members for the Inside or the Outside Service—of course it is not for Inside Service now—are in any sense to the advantage of the country.

Mr. W. F. MACLEAN: Of all the absurdities of the present system one of the most conspicuous is that the men who happen to be the members for Ottawa should have the patronage of recommending people for appointments to a great service that should draw its candidates from all parts of the Dominion. We are creating by this partisan and political system a professional class of civil servants resident in the Capital. The service is administered largely on the recommendation of the local members and not with regard to the public interest. Again I desire to say that it is high time, especially in these critical war times when we wish to get value for every dollar that is voted by this House, that the administration of the Civil Service, outside and in, should be absolutely non-partisan and should be in the hands of a competent commission, and should not be the subject of political patronage. I am prepared to endorse what has been said by the hon. member for West Peterborough (Mr. Burnham) in regard to the Indian Service, from the very limited knowledge I have of it. Everybody knows that in England they have a much better administration of the public service than we have here, that the examinations are fair, that there is reasonable promotion, and that, most important of all, those in the service are not discouraged by the knowledge that unfair preference will be given to another member of the service by reason of political influence. That is the most disheartening thing in a service of this kind. By political influence people can get preference, better salaries and advancement over those who are perhaps doing better work but who have not the necessary political influence. Surely,

it is time to bring all this to an end and instead of patching up this Act as we are doing now—and it is only being patched up now in order to do justice to the lower grades of the service—we should take the service out of politics and put it in the hands of a commission where it will be fairly and justly administered. The commission should present to Parliament, or to the minister, a report reviewing the whole condition of the service, suggesting improvements and, if in times like this they think it is necessary to increase the pay of the service, recommending it to us. This would be an intelligent way of dealing with the matter.

Mr. CHABOT: Mr. Chairman, I would like to say a few words in reply to the hon. member for North Simcoe (Mr. Currie) and the hon. member for South York (Mr. Maclean). I am sure they are labouring under a misapprehension in so far as the political power and authority of the Ottawa members is concerned. They could not at all have exaggerated, if they had attempted to describe, the tribulations and vicissitudes that we have to undergo with regard to the duties to be performed in connection with the appointment and recommendation of men and women to the Outside Service only. We have nothing to do with appointments to or promotions in the Inside Service than any other hon. member of this House because since 1908 all appointments to and promotions in the Inside Service are supposed to be made by the Civil Service Commission.

Mr. GRAHAM: That word "supposed" is a good qualification.

Mr. CHABOT: Not only "supposed" but should be made by the Civil Service Commission, which was appointed by the late Government. With regard to outside appointments, probably the Outside Service in Ottawa is more varied and more extensive than it is in any other constituency in Canada and that may be the cause of so much trouble for the gentlemen who happen to represent this city when their party is in power. As I said, I agree with the hon. member for York (Mr. W. F. Maclean) that all civil services should be directly and absolutely under Civil Service Commissions, either under the present Commission, numerically increased, or a separate Commission outside of politics altogether. If that were done I am satisfied that this country would get a more efficient service.

[Mr. W. F. Maclean.]

Mr. W. F. MACLEAN: If it is put forward that these promotions are to be political, I would keep a party ledger and I would make it the duty of the whips of the party in power to keep a ledger for each constituency, having regard to the population of the constituency.

Mr. GRAHAM: Why not the card index system?

Mr. W. F. MACLEAN: Hold on now—and I would say that it would be their duty to see that outlying counties get their share of this patronage, if it is to be patronage. So I protest against it on two grounds, not only do I think it unfair and that it should not exist, but if that system is to be maintained, it should be maintained on the basis of a fair distribution of these offices among the outyling constituencies as well as in the large centres, like Toronto, where there is a great deal of patronage in connection with the Outside Service. A large portion of that Post Office patronage might be fairly distributed to other ridings adjacent to that city. I do not advocate either of these things. I agree with the hon. member for Ottawa (Mr. Chabot) that the Outside Service should be taken out of politics and administered by a Commission.

Mr. TURRIFF: I should like to emphasize the remarks made by the hon. member for Ottawa (Mr. Fripp) that the Civil Service should be disfranchised. That is a position that I have taken ever since I have been a member of this House. It seems to me that there is no good reason why they should not be disfranchised. It does not injure anybody, and if a civil servant does not wish to lose his franchise it is easy for him to drop out of the service. I would even go so far as to say that we should not disturb the franchise of any man or woman now in the service, but that we should make a start and provide that from this time forward any man or woman accepting service under the Government should know that he or she no longer had the franchise.

Sir THOMAS WHITE: Like the judges.

Mr. TURRIFF: Exactly. I think it would be a good move, a move in the right direction. I should like the Minister of Finance to give that phase of the subject some consideration. I should like also to emphasize what was said by the other member for Ottawa (Mr. Chabot), that is that the Outside Service should be put in the

same position as regards recommendations for appointments as is the Inside Service. The fact that the Inside Service was taken away from politics and put in the hands of the Civil Service Commission relieved members of a great deal of unpleasant work, and it would be very much better to put the Outside Service in the same position. You would certainly get a better class of civil servant, and it would be to the general advantage not only of the Civil Service, but of the country as well.

Mr. CURRIE: After all is said and done, the question of putting the Outside Service under a commission would simply mean turning the offices over to one party. That would hardly be fair because, as matters stand now—I am speaking as a member of this House—the party that left office in 1911 seems to be largely possessed with the idea of getting office, and every day I am receiving letters from members of that party who opposed me in the last election asking for offices. If they were disfranchised, I suppose it would be all right, but the Tories do not get any office, they never get within gunshot of an office with this commission, and the Outside Service is their only chance.

Mr. MARCIL: Will my hon. friend tell us how many new appointments this Government made since they came into office?

Mr. BRADBURY: The commission makes the appointments.

Mr. MICHAUD: I read in this resolution that any person may be promoted from the Third Division to the Second Division by the Governor in Council upon the recommendation of the head of the department based upon the report in writing of the deputy head. I remember that when the Civil Service Act was passed in which a deputy minister recommended himself for an increase of salary of $1,000 and left a poor employee in his department, with a large family, at his former salary. That civil servant has been at the same salary for the last eight or nine years. I believe that in this particular case the deputy minister should not have anything to say, in so far as recommendation is concerned, because a great many civil servants will suffer by not getting the proper recommendation from the deputy minister.

Mr. BURNHAM: I cannot understand why some members of this House wish to disfranchise the civil servants. To my mind, that indicates very little faith in humanity. It is a very retrogressive step. If Parliament is going to endorse such a theory as that, that men accepting trifling positions and doing work commensurate with them, earning their salaries, are to be disfranchised because they are not supposed to have a due and proper interest in the country, then they are like those people who were employed by the Byzantine Empire or ancient Rome, they are practically made eunuchs of, as suspicion is at once cast on them. I think it is most unworthy position for any one to take.

Mr. TURRIFF: I did not propose that.

Mr. MURPHY: With the view of expediting the passage of the hon. minister's resolution and later on of the Bill to be founded upon it, I should like to make a suggestion to him. The suggestion is based upon an occurrence in the House some weeks ago, of which I am certain my hon. friend has a recollection. He will recall that when the estimates were first under discussion this year attention was drawn to the fact that certain Orders in Council had been passed, the effect of which was to abrogate certain sections of the Civil Service Act. One Order in Council in particular was mentioned as having been brought to the attention of the Returned Soldiers Committee. That is an Order in Council taking away from the Civil Service Commission the right of appointment to this Third Division and placing that right altogether in the hands of the minister of the day. A request was made at that time that a return or statement should be submitted to the House showing how many departments—how many ministers in other words—had availed themselves of this privilege, and to what extent the privilege had been taken advantage of in each department. I submit that that information should be before the House and the committee before we proceed in any event, with the Bill to be founded on this resolution. We ought to be in possession of that data before we discuss the Bill on the second reading.

Sir THOMAS WHITE: I have forgotten the circumstance.

Mr. MURPHY: I will send Hansard to the minister.

Sir THOMAS WHITE: When the Bill is in the committee, after the second reading, I will endeavour to get the information.

Mr. DEVLIN: I was called from the Chamber, and on my return I heard the

hon. member for Peterborough (Mr. Burnham) speaking against the disfranchisement of the civil servants. I want to place myself on record immediately as saying that I think every civil servant who is qualified ought to have the right to vote. The proposal to disfranchise the Civil Service is repugnant to me as taking away from the liberty of the citizen. Simply because a man happens to be working for the Government is no reason why he should not have the right to vote. There are two ways, however, of disfranchising civil servants: one by taking away their vote, and the other by muzzling them. A practice was in force—I hope it will not be continued at the next election—of dismissing a man simply because he voted for one party or for another. I have in mind instances of investigation into the conduct of officials, who were suspended or dismissed if their conduct did not tally exactly with the party view. In reading over the report of an investigation which took place in my county—I wish to speak particularly of matters of which I have certain knowledge—I found that a certain gentleman said to a friend whom he had in his drawing-room one evening after a meeting, that after all he thought Laurier was not a bad fellow. That is all he said; that was all that was brought out before the investigating commissioner. Had he said that I was or was not a bad fellow, and that, accordingly, he should or should not vote for me, I would not mind; but it seems absurd that he should lose his position simply because he said that the leader of a party was not a bad fellow. That is what I call muzzling the civil servant and, therefore, disfranchising him; because if you take away his position by reason of his having voted a certain way, in effect you practically take away his vote. I agree with the member for West Peterborough that every civil servant ought to have the right to vote as he sees fit, I care not what party is in power.

Mr. CURRIE: Would the hon. gentleman go further and say that the civil servant has the right to go on the public platform and to canvass?

Mr. DEVLIN: In three elections which I have run I have never made a complaint as to how any postmaster or civil servant acted during the campaign. I recognize that he is a citizen with rights similar to those which I enjoy, and that he is entitled to exercise those rights. The practice has prevailed around this part of the country, and I have never once complained of it. I do not see why a civil servant, as well as any member of this House or any man who does not work for the Government, should not get on a public platform and give expression to his views.

Mr. WRIGHT: The gentleman who opposed my hon. friend in the last election was the only person who had any reason to make complaint. I do not suppose there was any opposition on the part of civil servants in his riding.

Mr. DEVLIN: I said that in the three elections which I ran I had never made any complaint.

Mr. GERMAN: If civil servants pass the qualifying examination why should it be necessary that they be promoted to the Second Division only on the recommendation of the head of the department? I should think that no such recommendation would be necessary.

Sir THOMAS WHITE: No one is entitled to be passed into the Second Division unless there are vacancies in that division. If there are one or more vacancies in the Second Division the question arises as to what persons in the Third Division who are eligible for promotion shall be recommended for the positions. One would think that the best official to recommend them is the deputy minister. The fact that a man has qualified for promotion does not mean that he is ipso facto promoted. Promotions, therefore, to vacancies occurring in the Second Division through death or otherwise are made from the lower division on the recommendation of the deputy, concurred in by the minister.

Mr. GERMAN: I understood that the classification of employees into various divisions was a matter more of salary than of position. A person drawing a salary as clerk in the Third Division cannot draw the salary of a clerk in the Second Division, but I should think that it would not be necessary that there should be a vacancy in the Second Division in order to allow a clerk to draw the salary of the Second Division.

Sir THOMAS WHITE: They can draw only the salary which is within the limits of their class. The salaries of the First Division are higher than those of the second, and the salaries of the Second Division overlap, to a certain extent, those of the third.

Mr. GERMAN: That is by reason of persons having, by examination, passed from one division to another?

Sir THOMAS WHITE: By reason of promotion from one division to another.

Mr. GERMAN: If a person in the Third Division passed an examination qualifying him for a position in the Second Division, I think that he should automatically get the salary of the Second Division.

Sir THOMAS WHITE: My hon. friend is entirely mistaken.

Mr. CURRIE: In the Indian Service and in the British Service, promotion is based upon seniority, not upon the recommendation of a higher official. Has that principle been recommended here, or does the promotion of a civil servant depend entirely upon the deputy minister? Suppose that for one vacancy there are three candidates, one of whom has been in the service a year longer than the other two. Does that man get the position, or does the promotion depend altogether upon the recommendation of the deputy? One of the grievances in the English Service was that higher officials always had the say as to whether promotion should be made or not. In the army, seniority is recognized right through. The senior man always takes the command or the appointment—and that applies from the youngest soldier up.

Sir THOMAS WHITE: What happens in our Civil Service is this: when vacancies are to be filled, the deputy considers those members of his staff most deserving of the appointment. He then makes a recommendation to the minister, which is passed on to the Council.

I do not think those in seniority are necessarily considered as being more eligible for a position than others. A good deal might be said in favour of that, but a man might be in the service for 20 years and be exceedingly incompetent, while a man who had been in the service but two years might be competent for the position. Qualifications being equal, I think the senior man should have the position.

Mr. CURRIE: In all other services outside this Canadian service there is an absolute rule that in the filling of an appointment the senior man gets it, and I think the minister ought to consider that question seriously because the deputy minister can tyrannize over a man and can keep him back for ten, fifteen or twenty years, even if he is a good employee, simply because the deputy has some grudge against him. The rights of seniority are the only rights of any kind in the service.

Mr. COCHRANE: What about fitness?

Mr. CURRIE: Fitness is tested by examination. If a man cannot pass the examination, that settles the question of his fitness. If he has passed the examination, then the question of whether he should receive an appointment or not should depend on the question of seniority. That is the only fair way of dealing with the matter.

Sir THOMAS WHITE: I find I have available the information asked for by the hon. member for St. John, and I should like now to place it upon Hansard. I find that there are in the messenger grade, 452 employees. I am speaking now of the Inside Service to whom this legislation applies.

Mr. MARCIL: All in Ottawa?

Sir THOMAS WHITE: In Ottawa. There are 1,778 in the Third Division. There are 2,678 receiving $1,200 or less per annum. There are 1,758 receiving more than $1,200 per annum. The average salary of all permanent employees is $1,398. The total number of employees in the Inside Service including deputies, is 4,473. When the Bill is in committee after the second reading, I shall have an estimate showing the amount of increase in expenditure involved in connection with this legislation.

Mr. MARCIL: On the lines of what the hon. member for North Simcoe (Mr. Currie) has just said, I have in mind an official who is in subdivision "B" of the Second Division, and who was placed at the maximum of his class when the Civil Service Act was passed; that is, he was then receiving a salary of $1,600 a year. That is a good many years ago, but he has been left at that salary ever since; there has been no promotion for him, and there does not seem to be any promotion in store. A good many others in the same branch have been promoted, but this man remains where he was. He has not been put into the class above, and I understand, before he can go there, he must be recommended by the chief of the branch, and that recommendation must be concurred in by the deputy minister and the minister. The minister will agree there is a case of hardship there.

5 p.m.

Sir THOMAS WHITE: There may or there may not be.

Mr. MARCIL: This man has been there for nine years; others have received increases of $50 or $100, and others have gone into higher classes, but this man still

remains where he was when the Act was passed. I have personal knowledge of this matter. Does the minister not think that this man, having been placed at the maximum salary of $1,600 for years, and having satisfactorily fulfilled the duties of that office, and now finding himself without any advancement, is not being treated fairly?

Sir THOMAS WHITE: I am quite unable to pronounce upon a case of an official whom I do not know, and as to whose qualifications I have no information except the statement of my hon. friend. I should imagine, if this officer is a close personal friend of my hon. friend, that he would be intellectually qualified for an advance. What I think should be done in a case of that kind is for my hon. friend to bring the matter to the attention of the deputy or the minister, and it can then be looked into, and if any injustice has been done, it might be remedied.

Mr. MARCIL: Apart from any question of favour, I think it is a matter of justice. There must be many in the same position as this man, and that is the reason why I drew the matter to the attention of the minister.

Resolution reported, read the first and second time, and concurred in.

Sir THOMAS WHITE thereupon moved for leave to introduce Bill No. 68, to amend the Civil Service Act.

Motion agreed to, and Bill read the first time.

EXPENSE OF PARLIAMENTARY SESSIONS.

Sir GEORGE FOSTER: With the consent of the House I should like to revert to motions. Some time ago the House passed a resolution moved by Mr. Northrup, appointing a committee to take into consideration and report on the cost of parliamentary printing and other matters. That committee met to-day and it was the opinion of both sides who were there represented that it would be advisable to join with the Senate in that investigation and report. As the Senate is to meet to-night and may adjourn thereafter, I should like, if there is no objection, to get this resolution up to the Senate before they adjourn to-night. I therefore move that we revert to the order for "Motions."

Motion agreed to.

Sir GEORGE FOSTER thereupon moved:

[Mr. Marcil.]

That a message be sent to the Senate requesting that House to appoint a committee to act with that already chosen by this House to consider and during the present session to report the total cost, including incidental expenses, of each session of Parliament, and the best way, if any, of reducing the same.

Mr. CURRIE: The joint committee of the House and the Senate on Printing have had this subject before them for several years. They have been continually endeavouring to reduce the cost of printing and other matters in connection with this Parliament. Recently another committee was appointed by the House to take up this very same question. I do not think any matters will come before this new committee that could not very well be taken up by the Committee on Printing, unless possibly such questions as the pay of officials of the House and matters of that kind. I should like to ask the minister whether he does not think it would be well to let the one committee do the whole work, so that there would be no overlapping.

Sir GEORGE FOSTER: I think this new committee probably goes further than the old committee. As the committee has already been appointed by the House and is going on with its work, there is something to be gained and nothing to be lost by associating the other House with it.

UNIVERSAL RADIO SYNDICATE, LIMITED.

On motion of Hon. J. D. Hazen (Minister of Marine) the House went into Committee to consider the following proposed resolution, Mr. Blain in the chair:—

That it is expedient to repeal the Ocean Telegraph Act, chapter fifty-two of the Statutes of 1913, and to authorize the repayment to the Universal Radio Syndicate of the balance remaining unpaid of any deposit made by the syndicate with His Majesty, after deducting any money due by the syndicate to His Majesty.

Mr. PUGSLEY: Will the minister kindly explain?

Mr. HAZEN: In 1913 this Parliament passed an Act called the Ocean Telegraph Act, confirming an agreement entered into between the Government and the Universal Radio Syndicate, Limited. Under the agreement that syndicate was established one radio station in Canada and another in Great Britain for the transmission of messages at rates not above certain specified amounts, and the Government agreed to issue the necessary license for that purpose. The syndicate, in pursuance of the agreement, deposited £10,000 with this Govern-

ment. Of that amount £5,000 was to be returned to the syndicate when it had expended $50,000, $25,000 of which was to be expended in Canada. The balance was to be repaid to the syndicate upon the completion of the proper and necessary equipment and the satisfactory operation of the stations in the United Kingdom and Canada, the Government allowing interest on the deposit at the rate which the banks allowed the Government on any deposits they might have. The syndicate had the right afterwards to become an incorporated company. The syndicate has made the required expenditure of $25,000 in Canada, and under the terms of the agreement $25,000 has been returned to them. It is represented that owing to the outbreak of war the syndicate has been unable to float a company to operate and take over the stations, and acquire all the necessary apparatus. As a matter of fact, the syndicate has now gone into the hands of a liquidator. Before this occurred, however, as the syndicate was in urgent need of money, it was ordered, after consultation with the British Post Office, that the Governor in Council should lend to the syndicate the sum of $15,000, this loan to bear interest at the rate of 5 per cent and to be repaid on May 1, 1915. An official test of the service was conducted on January 27, 1915, and established that the operating speed and general performance of the station was not up to the standard called for by the agreement. Payment of the balance of the deposit was accordingly withheld, and there is now $10,000 of the deposit in the hands of the Government. The syndicate is now quite unable to carry out the terms of its agreement, and the Governor in Council has refused to exercise the power under the agreement of purchasing the station. At the present time the Governor in Council is making use of the station in Canada, which is situated in Newcastle, N.B. It is now proposed by this legislation to return to the syndicate the balance of the deposit, which in round figures amounts to $10,000. The syndicate started with the idea of having a station in Canada and another on the west coast of Ireland. The Canadian station is at Newcastle, in the county of Northumberland, on the Miramichi River, and the other station is at Ballybunnion, on the northwest coast of Ireland. The syndicate has gone into the hands of a liquidator, and it is represented to us that arrangements have been made by which the Marconi Company will take over the stations at Newcastle and Ballybunnion and spend whatever money is necessary to equip them thoroughly, not only for transatlantic business but for communication with the West India Islands as well.

But while this Act remains on the statute-book it is impossible for the liquidator to make this arrangement with the Marconi Company. I am assured that arrangements have been made by which, as soon as this Act is repealed, the station will be taken over by the Marconi Company and put into a condition of great efficiency and made a most valuable means of transatlantic and other communication. The Government has nothing invested in this station. The amount of $10,000 was only as a guarantee of good faith on their entering into the agreement and being granted their license. The concern owes the Government nothing. It seems only reasonable, therefore, that this sum of $10,000 should be paid on the repeal of the Act to enable it to proceed as I have suggested. The agreement was made with this syndicate through the instrumentality of the Post Office Department. This matter came to the notice of the department when our late friend, Mr. Casgrain, was Postmaster General. He stated that there was no officer in the Post Office Department with special or technical knowledge of wireless matters; and, as there are in my department several officers who do understand these things, as for instance the Deputy Minister of the Naval Service and Mr. Edwards, who looks after our wireless and is an expert in this line, he would be obliged if my department would take it over, hear what the representative of the Postal Company had to say, and deal with the case as might be necessary. So the matter came into my department, and that is why I, instead of the Postmaster General, introduce this resolution. Having taken the matter up, and having had my officials go into it thoroughly with representatives of this company and of the Marconi Company, I shall be ready to introduce a Bill on the subject when this resolution passes.

Mr. PUGSLEY: The resolution does not seem to be open to very great objection except on this point, that, apparently the ten thousand pounds—

Mr. HAZEN: Dollars.

Mr. PUGSLEY: No, the original £10,000 deposited with the Government was for a purpose which has not been carried out. I understand that the Government still have $10,000 in their hands, and I would suggest to my hon. friend that it might be well not to pay that money over until, at

all events, the arrangement is made with the Marconi Company for the performance of the service. This is the first I have heard of the matter, and perhaps my hon. friend will allow the committee to rise now, with a view to sitting again when there is a fuller attendance, as possibly some hon. members may desire to speak on this subject. Meantime the agreement that has been referred to might be brought down.

Mr. CURRIE: Has this syndicate any connection with the German Telefunken company which handles wireless?

Mr. HAZEN: I think not.

Mr. CURRIE: I understood at the time that it was part of that concern. However, I do not see any reason why the resolution should not go through and the agreement be brought down on the second reading of the Bill. That would expedite the matter.

Mr. PUGSLEY: That might do.

Mr. HAZEN: The Act to be repealed was assented to in June, 1913, and the agreement for the radial telegraph communication is embodied in the Act, so that any hon. gentleman who wishes to look at this agreement has only to turn to the statute. Perhaps I did not make it clear that the $25,000 went back to the company because they had fulfilled the bond. They were to have $25,000 returned to them when they had spent $50,000, half of it in Canada, and the money was returned because they had fulfilled the conditions. Then, as they had difficulty in carrying on operations, it was decided to lend them $15,000 which came out of the remaining $25,000. The suggestion that the hon. gentleman makes is one for consideration. We might pass the resolution with the understanding that when we go into committee on the Bill I shall be able to say whether I think the course proposed desirable or not, and it can be discussed.

Resolution reported and agreed to.

Mr. HAZEN moved for leave to introduce Bill No. 69, to repeal the Ocean Telegraph Act.

Motion agreed to and Bill read the first time.

SUPPLY.

PROPOSED MINISTRY OF FISHERIES.

On motion of Right Hon. Sir George Foster for Committee of Supply:

[Mr. Pugsley.]

Mr. CLARENCE JAMESON (Digby) moved:

That all the words after "that" be struck out and the following substituted therefor: "In the opinion of this House, in view of the food shortage with which this country is confronted, and for the purpose of materially increasing the resources and food supply of Canada, a Department of Fisheries, under a separate minister, should be forthwith organized.

He said: It is obviously the duty of any member of this House to bring to the attention of the Government and of the country any project the adoption of which he conscientiously believes will add to the resources or food supply of Canada during the serious years with which we are confronted. This being so, I desire to present to the House very briefly the opinion which I entertain regarding the absolutely essential action to be taken by this Government in order to render vastly more productive an important source of food supply, namely, the fisheries of this country.

For many years the reports which successive ministers have laid upon the table of this House have reiterated the statement that the fisheries of Canada are the most extensive in the world. So far as possibilities are concerned, that statement is absolutely correct. The geographical position of Canada in that respect is unsurpassed.

> The wholesome sea is at her gates,
> Her gates both east and west.

But, in so far as results are concerned, the departmental statement is, unfortunately, entirely misleading. If we consider the value of the product of fisheries of certain other countries, we find the following. I give the results in round numbers, because I am no more fond of statistics than is this House:

United States	$76,000,000
Great Britain (before the war)	75,000,000
Norway, in 1915	50,000,000
Japan	45,000,000
Canada, in 1916	35,860,000

Looking more closely at the reports of the Canadian fisheries, we find the following results:

	Value of Products.
1896	$20,470,000
1916	35,860,000

The increase of 75 per cent on the face of it, might perhaps appeal to the casual reader of the report as being fairly satisfactory. But, it is a fact—I do not know how broadly it is recognized—that within the same twenty years the average market value of Canadian sea foods

has advanced over 67 per cent. Consequently the increase in the production of sea foods of Canada within that time has been rather less than 8 per cent, which is much more than made up by the increase in the quantity of salmon taken in the British Columbia fisheries. The capital invested in the fisheries in 1896 was $9,826,000 and in 1916 it was $25,855,000, and the cost of operation has proportionately increased during the same period. In other words, it has been of late years costing us $2.50 to produce the same quantity of sea foods that in 1896 we produced at an expenditure of $1.

It is not a pleasant thing to contemplate, but it is a fact, nevertheless, that in so far as production is concerned, the fisheries of Canada have practically stood still during the past twenty years. This has been due, in the main, to four things—lack of attention, lack of appreciation, lack of vision, and lack of intelligent, progressive policy. Instead of $35,000,000, the fisheries of Canada should to-day be yielding $60,000,000, and in five years they could be made to produce $100,000,000 annually. We all remember, not so very many years ago, when the wheat fields of the West first yielded a $100,000,000 harvest. What a great shout went up from the people of the country, and how the newspapers, East and West, commented on the splendid achievement. But, we had waited 25 years and had expended hundreds of millions of dollars in building railways and elevators to make that result possible. Are not $100,000,000 drawn from the harvest of the seas of equal economical value to this country? Mr. Speaker, they are not only equal but more so, because the wheat fields of the West require cultivation, while the sea fisheries do not. Why have we not recognized and profited by that obvious fact? The reason is because the fisheries have always been neglected; because they are to-day, and have been for years, a mere adjunct of the Naval Service Department, which in turn, is an adjunct of the Marine and Fisheries Department under one minister. No man, even though he be a demi-god, could successfully conduct the fisheries of Canada as at present organized. One naturally asks why this is so. Sir, the answer is not far to seek. In the first place, how is the time of a minister of the Crown occupied? Let us take the case of a reasonably industrious minister; one who spends six out of the seven days of the week toiling away in his office in the Capital. One full day at least of the week is occupied in answering correspondence; one full day in the week is occupied in receiving delegations and callers; two full days in the week are occupied at Council attending to matters pertaining to other departments; one day in the week, perhaps, is devoted to matters of general policy, and, possibly, politics; while if this House is in session, one full day in the week is spent in this Chamber, leaving at best one full day in the week devoted to attending to the special duties appertaining to his department. I would like to digress just for one moment to point out that, aside from agriculture, the chief items of our annual production in raw material in 1915 were:

Lumber	$61,919,000
Coal	32,111,000
Nickel	20,492,000
Gold	18,977,000
Pulpwood	15,590,000
Copper	17,460,000
Silver	13,228,000
Pig iron from Canadian ore	1,715,000

Being for the most part under provincial control and under the especial care of many provincial departments of Government, they were in the main very well cared for. The fisheries of Canada yield $35,000,000, according to the departmental blue books, and in what relation do they stand to the Federal Department of Marine and Fisheries? Let us turn to the list of services in that department, and we will find that they number 37, of which the fisheries is one. I think I should read the list:

List of Services Attended to By Marine and Naval Service Departments.

Lighthouse Construction and Maintenance, Lighthouse Board,
Dominion Steamers,
Harbour Commissioners,
Harbours and Harbour Masters,
Wreck Statistics and Investigations,
Wreck and Salvage Contracts,
Ice Breaking,
Live Stock, Shipments,
Meteorological Service,
Marine Hospitals, Port Doctors, Sick and Distressed Seamen,
Masters and Mates,
Shipping Masters,
Pilotage,
Navigation Schools,
Removal of Obstructions to Navigation,
Registration of Shipping,
Port Wardens,
Licensing of Ships During War,
Requisitioning of Ships During War,
St. Lawrence Ship Channel,
Marine Signal Service,
Sorel Shipyard,
Steamboat Inspection,
Examination of Steamboat Engineers,
Wharves and Wharfingers,
Water Lots in Public Harbours,

Inspection of Ship's Tackle,
Safety of Ships and Prevention of Accidents,
Naval Service.
Stores,
Survey of Tides and Currents,
Hydrographic Survey,
Radio Telegraphs,
Canadian Arctic Expedition,
Life Saving Service,
Fisheries Protection, and Fisheries.

Which of these 37 services of the department is it that occupies the minister's one available day of the week? The fisheries, as I have pointed out, is the one single productive service in the department. Do you suppose the fisheries get the minister's one available day for the week? If you will excuse me the expression, the fisheries do not get a "look-in." Who looks after the fisheries branch? Not the minister, because the minister has not the time; not the deputy minister, because his time is otherwise fully occupied. It is the superintendent of fisheries, a man with little authority, and a man who cannot make any recommendation in the matter of policy, I venture to say, unless specially requested to do so. In any case his time is fully occupied by the thousand and one details of his department which arise daily. Hence the fisheries do not get, and cannot get, fair play in the department, and, in my opinion, they do not get fair play in this House. Few members take any interest in them, while the discussion of any matter pertaining to the fisheries is the signal generally for a thinning out in the attendance of this Chamber. Let me give an illustration. Last year, upon a resolution introduced by myself, a committee was appointed to investigate the spread in price of sea foods in Canada. That committee held twelve sittings. The minister never attended a single session of the committee. I am quite prepared to admit that his time was otherwise fully occupied. The deputy minister never attended a single sitting of the committee, and I am prepared to admit that his time also was fully occupied. The superintendent of fisheries was there and rendered excellent service, but, as I have pointed out, he has no authority. That committee made a report which was presented to this House. That report was to have been discussed on the last day of the session along with the reports of the committees on pensions and public printing. That was the arrangement; I made it myself with the Prime Minister and the Minister of Marine. But it was never carried out, because the first named committee, quite unnecessarily I think, occupied almost every moment of the time.

I repeat, therefore, that the fisheries of Canada, which could be made to produce $100,000,000 per annum, have been neglected and ignored for years; both by the department and this House. Just here I will make the observation, if I may be permitted, that my experience in this House has forced me to the conclusion that economic questions do not invite that consideration to which I think they are entitled. That has probably been due to the fact that our political problems have been vexed and perplexing, and that the natural wealth of the country has been great and its development rapid, if not feverish. But the time is coming, if, indeed, it is not already here, when economic questions will engage the attention of this Parliament, and when mere questions of party and of the respective and relative advantages of the "ins" and the "outs" will be pressed back into second place. There are those in this country who desire to see the Dominion rounded out by bringing Newfoundland into the Confederation family. The ancient colony has not hitherto shown any great anxiety for the union, and I am not certain that she can even be induced to become a war bride. Many reasons are given for her indifference in this respect, but I think at the heart of it all is the fact that the great majority of the male population of Newfoundland are engaged in the fisheries, that almost $11,000,000 of her annual export of $14,000,000 is derived from the fisheries. They are opposed to Confederation, I think, because they say· Our fisheries have advanced while those of Canada have practically stood still; why should we exchange a policy of progress, development and growth for one which is just the reverse? And why is it that the fisheries of Canada are in that unhappy position? The reason is that they have never had the first care and attention of the head of the department nor, under present conditions, will they ever get it and the two problems of economical production and economical distribution have been unsolved. In this condition of affairs one naturally asks, what is the remedy, what can be done? In my opinion there should be organized a Department of Fisheries with a separate minister responsible to this House and to this country. The fisheries of Canada are surely big enough and extensive enough and important enough to warrant this. A Minister of Fisheries would find his time fully occupied for several years to come in grappling with and solving of the two great problems of economical production

and economical distribution of sea foods in this country. Such action is furthermore necessary in order to reassure the fishermen and the fishing interests of this country. It is certainly necessary in order to command attention and respect for the fisheries of this country in this House. Above all things it is necessary in order to secure respect for the fisheries and the fishing interests from the transportation companies and concerns operating in Canada. So long as the present system is continued the present conditions will prevail, and this country will fail to reap tens of millions of dollars which might, under proper conditions, be drawn from the harvests of the sea. I am not charging this Government with especial negligence in this matter. They are merely following, or I might say perpetuating, the policy which they found upon coming into office, a policy which, indeed, has been pursued by all governments more or less indifferently since Confederation. But, Sir, to-day with the highest authorities gravely assuring us that the world's food supply will be seriously impaired during the years which are even now upon us; with Professor Cudmore of Toronto University pointing to the fact that the world's wheat harvest of last year was about 960,000,000 bushels less than the year before with men of the calibre of Lord Shaughnessy telling us that if we are to survive economically we must get out of the habit of thinking and acting in ruts; with the hon. the Minister of Finance praying for greater economy on the one hand and the hon. the Minister of Trade and Commerce preaching increased production on the other, I say, with this array of unquestionable testimony before us as to the necessity of the hour, would it not be little short of criminal for us to stand idly by and fail to avail ourselves of the almost unlimited supply of sea foods at our very door? We cannot do it organized as we are; we can do it by proper organization without involving additional expense. Therefore I say to this Government, as to men charged with the gravest responsibilities, organize a Department of Fisheries, place the portfolio in the hands of a man of ability, courage and vision, from within this House or from outside of it, I care not which, nor am I particular as to what his political antecedents may be—and support him in carrying out a policy which is calculated to meet the national requirements.

Mr. H. H. STEVENS (Vancouver): Mr. Speaker, in rising to second the motion of the hon. member for Digby (Mr. Jameson), I wish to say a very few words. It is not my intention to quote any statistics or to go into any details in the general argument or suggestions which I purpose making. First, I wish to emphasize and to support the statements of the mover of the resolution as to the food value of fish. I think the food value of fish is now admitted by all, and the only thing that we lack in this country is a due appreciation of the quantity of this food material that lies at our doors, ready for use and proper exploitation. My hon. friend has pointed out that the annual fish production of Canada, which is valued at approximately $35,000,000, can be doubled, and, perhaps, trebled. There is no question that fish is an excellent substitute for meat, the cost of which has so abnormally increased. A movement was recently set on foot in the Motherland to increase the consumption of fish with a view to reducing the consumption of meat and helping to bring about that economy which is so necessary under present conditions. That fish, therefore, is of great value as a food cannot be disputed, and my hon. friend deserves commendation for bringing to the attenion of the House the matter of the exploitation of our fisheries.

The administration of the fisheries is practically an appendage of the Marine and Fisheries Department. I would not for a moment reflect upon the Minister of Marine and Fisheries by saying that the Fisheries Branch of his department is not properly administered. Without question, the minister has given his best services to that work, so far as he has been able to do so. But many matters of importance come under the jurisdiction of the Marine and Fisheries Department. There is the control and direction of navigation in Canada, a matter of very great importance indeed. The matter of pilotage is also an important one, the regulations in connection with which require constant revision and supervision. The administering of the great harbours and their foreshores is also part of the duty of the Department of Marine and Fisheries. These matters, together with the administration of naval affairs, now occupy a very large part of the minister's time. I do not think that the House, or the country, expect one minister to assume a task that is beyond the capabilities of one man. That principle was recognized by the House; it has been recognized since war broke out by the appointment of an assistant to the Minister of Militia and of another, I think, to the Minister of Finance. I am not suggesting that in this case an under-secretary

would fill the bill, because the administration of the fisheries is sufficient to occupy the full time of a minister appointed for that special purpose.

Another thing which must not be forgotten is that Great Britain built up her position as a naval power upon the fisherfolk of the British Isles, who form the first line of defence of the United Kingdom, as the fishermen here form our first line of defence in Canada. A few years ago the Maritime Provinces, and particularly the province of Nova Scotia, contributed to the seafaring element of our population the finest class of men produced by any nation. Two or three years ago, sixty-five per cent of the captains sailing in and out of the port of Vancouver came from the province of Nova Scotia. Through the failure of the governments of Canada during the last thirty or forty years to take steps in regard to the matter—I am referring now more particularly to governments preceding this one, though the condition still prevails to some extent—the fisheries of the coast have passed largely into the hands of Japanese or foreigners. Twenty years ago one would see scarcely a single Japanese fishing in northern British Columbia or north of the Fraser river, but to-day a large majority of those fishing on the Pacific coast are Japanese. It is not my desire to reflect on the Japanese, but I contend that it is the duty of Parliament and of the people to conserve for British citizens, native-born if possible, this valuable franchise of the right to fish.

Mr. HAZEN: Are not many of these Japanese British subjects?

Mr. STEVENS: The minister's suggestion is quite right, but the point is that these people have become British subjects simply for the purpose of securing a fishing license. On the Pacific and Atlantic coasts the fisherfolk form, as I have said, our first line of defence, and if you build up a strong, intelligent and prosperous community of fishermen along our coasts, the result will be an immense benefit to the country not only in the way of production, but also in the way of defence in time of war. A commander of one of the British cruisers a few months ago told me that when he was in the service on the Canadian Atlantic coast there passed through his hands several hundred recruits from the Maritime Provinces and Newfoundland who were as fine a class of men as could be found. I mention this merely to show the value of these men to the country. The greatest service is being rendered to the Mother Country to-day by mine sweepers in the seas surrounding Great Britain, manned by the crews of the trawlers of England's great fishing fleet. This will impress the House with the necessity of building up the fishing communities on our sea coast and the undesirability of allowing our fisheries to drift into the control of aliens or of nationalities that are not as sympathetic with us as we should like. I do not wish to criticise the minister of the department, but I do submit that our fisheries are of sufficient importance to justify the establishing of a separate department for their administration, that department to be in charge of a minister of the Crown. Not only would this be a step in the interest of the production and distribution of food, but it would build up among the fisherfolk along our coasts a race that will maintain the traditions of the fisherfolk of our Empire.

At six o'clock the House took recess.

After Recess.

The House resumed at eight o'clock.

Hon. J. D. HAZEN (Minister of Marine and Fisheries): I stated the other evening that it was my intention when the Fisheries' Estimates came before the House, to make a statement regarding the activities and progress of the department during the past year. It was suggested by my hon. friend from Guysborough (Mr. Sinclair) last year, that I should make such a statement, and I always like to accept a good suggestion no matter where it comes from. In view of the fact that the fisheries question has been brought before the House this afternoon by my hon. friend from Digby (Mr. Jameson) on the motion to go into Supply, it occurred to me that this might be even a more fitting time to make the statement that when the Fisheries' Estimates come before the House. I think this is especially desirable in view of the fact that the Marine and Fisheries Committee after a number of meetings during last session made a report to the House which contained many valuable suggestions. I regret to say that I was not able last year to attend the meetings of that committee, for the reason that in addition to the work of my own department which, according to the hon. member for Digby, embraces almost 37 departments, I had thrown upon my shoulders during the session the work of the Department of Agriculture to a con-

siderable extent, as the Minister of Agriculture was suffering from injuries sustained during the burning of the Parliament buildings. In addition to that I was also acting as chairman of the Pensions Committee. With all these duties on my shoulders, I regret to say that I found it impossible to attend the meetings of the Marine and Fisheries Committee last year. As I have said they made a very valuable report to the House, and their suggestions have been given every consideration by the department, and I propose now to let the House know just what action we have taken in regard to them, before discussing more particularly what was said by my hon. friend from Digby and my hon. friend from Vancouver City (Mr. Stevens) this afternoon.

Unfortunately it is still no easy task to afford adequate protection to the fisheries that require it. Hence, a great deal of the department's work is essentially of a negative character. While this work is of the utmost importance, and is exacting on time, the affirmative side,—the doing of things to increase the knowledge of the fishermen in the life history of fish, to enable them to catch more fish, to prevent them losing valuable time, to encourage the better handling of fish, so that the fishermen will get more for their catches and the public a better article of food, to provide better facilities and cheaper rates for the transportation of fish, to bring to the attention of the public the value, cheapness and general excellence of fish as food, and the keeping up and increasing of the supply of certain kinds of fish by artificial hatching—is from year to year receiving more attention.

Last session the Select Standing Committee on Marine and Fisheries made an exhaustive investigation into the spread in price of sea foods. The valuable report and recommendations and evidence procured, which were submitted by the committee to the House, will still be fresh in the minds of the members. The recommendations made have been acted on by the department, and as far as possible they have been effected. It may be best to cite the recommendations and summarize the action taken thereon. The first recommendation was:

1. That inspection of transportation of sea foods, and organization of the distribution thereof, be undertaken by the Department of Marine and Fisheries, somewhat along the lines already inaugurated by the Department of Agriculture in respect to certain farm products.

A young man, Mr. Leonard, of St. John, who has been brought up in the fish business, and who is consequently familiar with the requirements in transportation, was appointed inspector on the 1st July last, and was continued in such position until the end of September. His headquarters were at Mulgrave, Nova Scotia. The Canadian Government railways did everything they could to facilitate his work, including furnishing him with transportation, good for express or freight trains, so that he was not only in a position to see and direct the handling of shipments of fresh fish at the very important shipping and transhipping point, but was enabled to accompany shipments from place to place and see the conditions at other important shipping points. On the whole he found conditions fairly satisfactory. Following suggestions made by him, the railway arranged to make some improvements for the icing of refrigerator freight cars and the marking of such cars on the outside so as to minimize the danger of their being disconnected from the train at switching points, and so delayed in reaching their destination. It will be remembered that it was regarded by some as necessary that refrigerator express cars should be available for local shipments as well as for through shipments. Experiments made by the inspector proved this not to be so. Fish packed in a liberal supply of ice reached their destination to points in the Maritime Provinces in perfect condition when forwarded in ordinary express cars. It is not considered that it will be necessary to again employ an inspector, at least for the present. The second and third recommendations were:

2. That the express facilities be so improved as to insure daily transportation of sea foods from the east by means of the chilled car service.

3. That the refrigerator car service for the transportation of sea foods be so improved as to render it available on express trains.

In order that the conditions and requirements might be most perfectly understood by both sides, last spring a conference was called by the department of representatives of the railways, express companies and fish merchants. It was of a highly satisfactory nature, and resulted in a clear understanding of the difficulties on both sides. The railway undertook to overcome as far as possible, the obstacles to the more general use of the refrigerator fast freight service, and though it has made consistent earnest efforts in that direction, it must not be overlooked that the movement of

troops and war equipment has necessarily seriously handicapped such efforts.

The putting on of a refrigerator express service was subsequently taken up with the manager of the Canadian Government railways. It was found that the existing refrigerator cars are really not safe for use on fast passenger trains, and apart from the undue cost of new cars at the present time, they could not be speedily built. It was arranged, however, that the railway would insulate a portion of one of its large express baggage cars for fish transportation and run a weekly refrigerator service from Mulgrave to Montreal, shipments from Halifax being consolidated at Truro, and if it transpired that this was used to such an extent as to require additional space, further cars would be so arranged. This service was in operation up to the end of November. While it was the best that could be done at that time, it has not proved fully satisfactory. Apart from the lack of proper rolling stock, the heavy loading of the passenger trains involves serious difficulties. Were the express shipments and mails sufficient to warrant special trains, the difficulty would be minimized. This question is being kept in the forefront by the department.

The fourth recommendation was:

That the consolidation of shipments for different points in the express refrigerator car, on the basis of carload express rates, to the farthest point, and the opening of car in transit to set down fish at different centres en route, would materially aid prompt and economical distribution of sea foods.

The express companies, after full consideration of this recommendation, intimated that they are unable to comply with it.

The fifth recommendation was:

That a carload lot express rate, substantially lower than the L.C.L. rate, should be fixed on sea foods from the east.

The companies maintain that the existing L.C.L. rate is as low as a C.L. rate should be, and that they therefore cannot reduce it.

The sixth recommendation was:

That the minimum freight carload quantity, on the Government railway be reduced from a new scale of 24,000 pounds to the former scale of 20,000 pounds, in the case of fresh sea foods, and from the new scale of 30,000 pounds to the former scale of 24,000 pounds in the case of cured sea foods.

The railway agreed to do this, and it was put into effect early last summer.

The seventh recommendation was:

That transportation companies should give special attention to the movement of cars containing perishable food commodities, to secure delivery thereof without deterioration.

This matter was taken up with the railways, and, as previously indicated, in fast freight shipments the cars are being specially marked on the outside, and every care is to be taken of express shipments.

The eighth recommendation was:

That an exclusive express service operated by the Government be inaugurated on the Intercolonial Railway and Prince Edward Island sections of the Government railways, as a preliminary to any general scheme for the nationalization of express business in Canada.

As this is a matter for the Railway Department in the first instance, it was referred to the minister of that department, who will no doubt be in a position to state what conclusion has been reached.

The ninth recommendation was:

That the fish diet be made a special feature on the Intercolonial dining cars, the price not to exceed the cost and expense of serving the same, as shown by the evidence.

(Note.) This would be in line with the policy of certain important railways which make a special feature of food products peculiar to the country traversed by such railways, tending to increase the consumption and advertise the product.

While the Intercolonial Railway has not made a low rate on fish in its dining cars, it is specializing on fish, and calling attention to it by special menu cards.

The tenth recommendation was:

That an active publicity campaign be organized by a competent person to promote an increased demand for sea food in Canada.

In view of the fact that the demand for fish is expanding so rapidly as to make production a real problem, it was considered best to defer action on this matter for the present.

The eleventh recommendation was:

That the department have made, for demonstration purposes: (a) An inexpensive refrigeration box, suitable for use in retail fish stores, in which fresh fish can be attractively displayed without risk of deterioration; and (b) a portable refrigerator, suitable for use in the distribution of sea foods in towns and cities; and that plans and specifications thereof, with estimate of cost, be furnished by the department upon application.

After considerable experimenting the department devised a cheap but attractive and efficient showcase. The names of companies in different parts of the country prepared to manufacture it, and the prices, were procured and pamphlets descriptive of it were prepared and distributed to the trade, and intimating that on

application the names and prices of such companies would be given or, if preferred, working plans and specifications would be furnished free to any one desiring to have a case built locally. The wholesale fish firm of D. Hatton Company of Montreal, has recently informed the department that it has 200 of these show cases built, and that it is distributing them amongst the retail trade.

Up to the moment no practical appliance of the character suggested, has been devised, and none can be found to be in use anywhere. The twelfth and thirteenth recommendations were:

> That the existing scale of Government aid in the transportation of certain sea foods by express be for the present continued under regulations as to methods of shipments, and that the steps already taken to promote the packing of herrings by the Scotch method are approved, and that special attention be given to the development of this branch of the industry.

These have been complied with.

With regard to the improvement of lakes and other waters that have been to some extent depleted I may say that fish breeding is being extended as rapidly as feasible, and is being continuously conducted with greater efficiency. The benefits are so well known as to require no argument. The salmon rivers of the Atlantic coast are steadily improving. The Great Lakes were never more productive than at present. Lake Winnipeg, which some years ago was in a serious condition, is quite recovered, and has more fish than for many years past.

The Fisheries Exhibit at the Toronto Exhibition was again given last year, and a restaurant operated in connection with it. I think hon. members who have seen this exhibit will agree that exhibit has not been allowed to suffer by repetition, new features being introduced each year. It was again awarded a gold medal. The patronage of the restaurant was limited only by its capacity. Day after day it was necessary to close the doors at times. Over 37,000 meals were served during the twelve days of the fair. In the year before, the number of meals served was about 25,000. Last year the number was 37,000 as I have stated, and had we had more accommodation, which it was impossible to procure, a still larger number would have been served. We believe that these meals of fish, well served in splendid condition, and at moderate prices, will have the effect of making the value of fish as a food better known in Toronto and in western Ontario generally. Men engaged in the fish business in Toronto have informed me that, as a consequence of this exhibit and restaurant, their business has shown a very considerable increase during the past few years.

While the full information necessary to enable an analysis of the fisheries for the fiscal year which has just closed is not available, one for the calendar year, which can be made up, so far as the sea fisheries are concerned, from the monthly bulletins published by the department, may be of value and interest. Apart from any difference that may exist from year to year, in the number of men and vessels actually engaged in fishing, there are natural conditions which affect the volume of production and which have to be duly considered when comparing the results of one year with another. For example, our salmon production is affected by the phenomenon of a big run occurring on the Fraser river every fourth year, growing gradually less in the following years till it reaches its poorest stage in the year preceding the next big-run year. Our hook and line fisheries for such fish as cod, haddock, hake, halibut, etc., on both the Atlantic and Pacific coasts are dependent on a supply of herring for bait, so that a scarcity or abundance of that bait fish immensely affects the output, of the line fishermen.

The dogfish is always with us,—in vaster numbers in some seasons than in others—devouring edible fish and destroying gear to such an extent as to stop operations at times. The somewhat erratic appearances of the mackerel and herring masses and fish of their kind on our coasts produce varying results from year to year. Finally, by limiting the number of fishing days, or permitting operations on the greatest possible number of days in the course of a season, the weather conditions affect the production of all kinds of fish, perhaps more than any other natural agent.

The season of 1916 was characterized by several adverse conditions. There was a general scarcity of men, particularly on the Pacific coast, owing to enlistments; the poorest salmon year in the cycle of four on the Fraser river occurred; there was an abnormal amount of unfavourable, foggy weather on the Atlantic coast; the spring herring fishery in the Gulf of St. Lawrence was much curtailed owing to ice remaining on the coast till a late date; and the summer and fall herring fishery all over the Atlantic coast was practically a failure. Considering these adverse conditions, it is not surprising to find the production of

some of the chief kinds somewhat below that of the year before. Compared with 1913, however,—a pre-war year,—the production of cod, haddock, etc., and such fish as remain fairly constant on the grounds, was very much greater during 1916. The marketed value of the product in the year 1915 was the greatest in the history of our Canadian fisheries, reaching a total of $35,860,708, which exceeded the total for the pre-war year of 1913, by $2,652,960, notwithstanding the fact that 1913 was a big-run year on the Fraser river. So far as the incomplete figures for the past season permit us to arrive at conclusions, it would appear that the record value of our fisheries in 1915 has been substantially exceeded in 1916.

Looking at the figures for some of the chief kinds, we find that the quantity of lobsters landed in 1916 was 2 per cent greater, and the value 21 per cent greater than in 1915. Compared with 1913, the increase in quantity is 10 per cent, and in value 11 per cent, the prices paid by the canneries in 1913 being somewhat higher than those paid in 1916. The quantity of cod, haddock, hake and pollock taken in 1916 was 7 per cent less than in 1915, but the value was 14 per cent greater. The slightly diminished landings of those fish were due partly to the fact that there were not so many Lunenburg vessels engaged in the bank fishery, and partly to a scarcity of bait during the best part of the inshore fishing season. Compared with 1913, however, the catch of 1916 was 24 per cent greater, while the value was greater by 52 per cent.

The quantity of herring and mackerel landed in 1916 was 25 per cent less than in 1915, and 32 per cent less than in 1913. The value, however, did not fall to the same extent, as prices were from 50 per cent to 100 per cent above normal. The total catch of halibut in 1916 fell below that in 1915 by 8 per cent, but there was an increase in value. Compared with 1913, the catch of 1916 was 13 per cent, and the value 60 per cent greater. In the year 1913, however, American vessels had not begun to land their catches at Prince Rupert.

The sardine fishery resulted in a decrease of 11 per cent in quantity, but an increase of 37 per cent in value when compared with 1915. Comparing the past season's catch with that of 1913, we find an increase of 100 per cent in quantity and 167 per cent in value. The movements of these small fish like the movements of all the herring kind, are uncertain, and as they are captured almost entirely by fixed appliances, the fluctuation in the quantity taken from year to year is consequently considerable. The value has increased much in keeping with that of other canned products since the outbreak of war.

The smelt fishery, owing to lack of ice on the rivers, was not so productive as usual, the falling off in 1916, compared with 1915, was 6 per cent in quantity, but there was an increase of 22 per cent in value. Compared with 1913, the catch of 1916 was 14 per cent less, while the value was 16 per cent greater.

Complete returns of men and material employed in the fisheries during 1916 are not yet at hand, but a comparison of the number of fishing bounty claims paid in the past season with the number paid in the preceding year indicates that fewer vessels, fewer boats and fewer men were engaged in the fisheries of the Atlantic coast. In 1915 bounty was paid on 13,926 boats and to 24,670 boat fishermen. In the past year the numbers were 12,350 boats and 21,700 boat fishermen, with a few late claims likely to come yet. In 1915 bounty was paid to 6,107 vessel fishermen in vessels aggregating 23,638 tons. In the past year there were 5,450 vessel fishermen in vessels aggregating 20,150 tons to whom bounty was paid, with a few late claims also likely to come in.

Our boat fishermen and those who fish in inshore waters now find the motor-boat indispensable to the success of their operations. It gets speedily to and from the fishing grounds quite independently of winds, tides, and, in a great measure, weather conditions. Also, it permits operations over a greater range of fishing grounds than was possible with the old sail boat. We do not know exactly how many motor-boats were used in the fisheries of 1916, but the figures for 1915, and the preceding four years, are illustrative of the rapid advance made in the use of such craft. In 1911 there were 5,580 motor fishing boats in the whole of Canada; in 1912, 5,911; in 1913, 8,700; in 1914, 9,302, and in 1915, 11,097.

Improvements are constantly taking place in the handling and manufacturing of cured fish of all kinds. The proportion of the inshore catch of cod, hake, etc., that is dried is annually growing less, while that used fresh and cut for the boneless trade is increasing and bringing enhanced values. In the pickled fish trade, through the stimulus of the Fish Inspection Act, increased attention is being given to the production of better packages and to improving the grade and quality of the pack. We are now using

in the salt mackerel trade an iron-hooped hard wood barrel superior to that used in any other country. Manufacturers of the finnan haddie, which is the mainstay of the smoked fish business, have within the last four or five years greatly improved its palatableness by realizing that too much salt and smoke applied to a fish that is really intended for almost immediate use are apt to curtail its consumption.

Looking at it all over, the production of our fisheries in 1916 is very gratifying. This gratification is mingled with regret, however, because of the reported loss of 23 fisherment while pursuing their calling on various parts of our coasts. In view of the preparations that are being made for the coming season, and of the fact that this is the big run year for salmon on the Fraser river, we may look upon it as quite within the range of the probabilities that the value of the output in 1917 will reach the $40,000,000 mark.

INSPECTION OF FISH.

The past season is the second in which inspection has taken place. There were in all 7,213 barrels of herring, alewives and mackerel presented for the brand. Of that number 2,688 were refused the brand, because of either poor quality of fish, bad grading or inferior barrels. In the previous year, 1,328 barrels were presented for the brand, of which 117 were refused. The number presented for the brand and the number refused the brand by districts were as follows:

In the district of H. H. Mann, Cape Breton Island, 305 barrels were presented, of which 31 were refused owing to poor packages. In the district of R. Gray, Halifax, Guysboro, and Antigonish counties, N.S., 1,493 barrels were presented, of which 575 were refused, because of too light salting and bad grading. In the district of A. R. Hilts, Lunenburg county westward and round to Kings county, N.S., 1,744 barrels were presented, of which 238 were refused for bad grading. It was ultimately discovered that 400 barrels of this lot had deteriorated in quality and after a re-examination the brand was removed before final shipment. In the district of T. Doyle, Magdalen Islands, Prince Edward Island, and part of the Gulf shore of Nova Scotia, 91 barrels were presented, of which 62 were refused because of poor quality and bad grading. This officer devoted much time at the Magdalen Islands endeavouring by practical demonstration to improve the fishermen's methods of splitting, cleaning and curing their mackerel, and while improvement undoubtedly resulted, he found that the fish generally were not cured entirely up to the standard required for the brand. In the district of C. Hubbard, Restigouche county to Kent county, N.B., 1,817 barrels were presented and 31 refused, owing to inferior packages and the poor quality of the fish.

In the district of A .O. H. Wilson, Charlotte, St. John, Albert and Westmorland counties, N.B., 1,763 barrels were presented, of which 1,720 were refused because of leaky barrels and the poor condition of the fish.

Mr. McKENZIE: How many were presented?

Mr. HAZEN: 1,763 in that district and 1,720 were refused.

Mr. McKENZIE: Only a few were accepted.

Mr. HAZEN: Only a few were accepted. They were in poor barrels. I understand that the difficulty is now being overcome and that next year fishermen will have no trouble, owing to the improved methods of the coopers in getting good barrels so that the fish can be properly preserved and can be branded, and so command higher prices. In the district of A. O. H. Wilson, Charlotte, St. John, Albert and Westmorland counties, N.B., 1,763 barrels were presented, of which 1,720 were refused because of leaky barrels and the poor condition of the fish. The brand was taken advantage of by 73 separate packers against 16 in the preceding year. In the course of the year, 67 merchants and packers, including a number of individual fishermen, applied for and received instruction in herring-curing in the Scotch style.

The summer and fall herring fishing last season was little better than a failure on the Atlantic coast, and as a result not more than 30 packers actually cured herring in the Scotch method. Of these, 22 presented their pack for inspection and the brand. Fifteen cooperages which produce barrels in considerable quantities, applied for and received instruction in Scotch barrel making. These were located as follows:—1 in Ontario, 2 in New Brunswick, and 12 in Nova Scotia. A number of scattered individual coopers, who make a few barrels for split herring, were also visited, as they could be located, and instruction given them. Perfection in barrel-making has not yet been reached, but many of the coopers are now turning out a really good barrel.

It should be kept in mind that the amount or value of the work performed by the in-

specting officers, cannot be measured by the actual number of barrels presented to them for the brand, because inspection is not obligatory. Hon. gentlemen will remember, when the Bill was passed it was made permissive, it was at the option of those who were doing the packing as to whether they would have inspection or not. As the demand for almost any kind of fish is abnormal at present, it frequently happens that a packer, after benefiting by the visits and instruction of our officers, ships off his fish without waiting for the officer to return and brand them.

In addition to the instructions contained in the Act and its regulations, the department in the beginning of last year issued to the trade pamphlets of special instructions in barrel-making and curing in the Scotch method. Prior to the fishing season and during its progress, each officer visited packers, barrel-makers and dealers within his district and kept before them the merits of the inspection system and endeavoured to persuade packers to cure their fish in accordance with the requirements of the Act. Instructional pamphlets will again be distributed to coopers and packers for their guidance this year, while practical demonstrations in barrel-making and curing will be continued.

HERRING FISHING OPERATIONS.

In the course of the past summer, the department fitted out one of its steamers with herring drift-nets, for the purpose of endeavouring to locate the herring schools off shore in the Atlantic, and to catch them at a time when the fish are in the best condition for curing for the best markets. It is difficult for one boat to accomplish much in the course of one short herring season. A considerable amount of success was met with, however, notwithstanding a general failure in the herring fishery, and much valuable information secured concerning the size and quality of fish on the different grounds worked over. The boat began operations about the middle of May, and continued till the latter part of August. Fishing grounds extending from off Victoria county in Cape Breton to those off Shelburne county in Nova Scotia, were operated on. In all, 388 barrels of herring, and 5,622 barrels of mackerel were secured. June and July were the best months. Herring were scarce in August, and dogfish very plentiful. A detailed report of the quantity and quality of fish taken on the various fishing grounds has been printed and distributed to those in the trade who are concerned in the business.

DAILY BAIT REPORTS.

For the purpose of assisting masters of fishing vessels to locate bait supplies during the cod fishing season, the department operates a system whereby definite information concerning bait along certain stretches of the Atlantic seaboard is collected by the local fishery officers and despatched daily, by telegram, to certain important sea ports, and there posted up. The number of ports selected as receiving stations is necessarily limited, in the interest of economy, but through the courtesy of the Halifax daily papers, in which the telegrams are published each day, the smaller fishing centres also derive the benefit of direct advice as to available supplies of bait. Copies of all telegrams received at the receiving stations are mailed to the department at the end of each week, by which means the work is closely followed and checked. During the spring of the past year, ninety telegrams were sent from the Magdalen islands, Souris, P.E.I., and Queensport, N.S., to Canso, Halifax, Lunenburg and Riverport, N.S. During July and August, 195 telegrams were sent from Little Bras d'Or, L'Ardoise, Canso and Musquodoboit Harbour, N.S., to North Sydney, Canso, Halifax, Lunenburg and Shelburne, N.S.; also from Lockeport, N.S., to Canso and Halifax, N.S.; from Shag Harbour to Halifax, Shelburne and Lockeport, N.S. From the beginning of September to the end of November, 66 telegrams were sent from Campobello, N.B., covering information from the counties of Charlotte and St. John, N.B., to Digby, Yarmouth, Pubnico and Clark's Harbour, N.S. The information contained in the telegrams was of much benefit to line fishermen who were in search of bait, by directing them to where supplies were available, and to net fishermen who had bait to sell by bringing purchasers to them.

As will be seen from the foregoing, considerable is being done to educate the fishermen and encourage them in the adoption of better methods, but some definite and comprehensive system of technical education all along the lines connected with their work is needed, and the matter is receiving attention, in order that everything may be in readiness to begin work as soon as possible after the return of peaceful days. Fishermen have not had sufficient pride in their calling, and too often their sons have been encouraged to

take up other vocations. There is consequently a shortage of skilled fishermen, and just at a time when they are urgently needed. When the war is over, it would be a good thing if skilled fishermen from desirable European countries wishing to immigrate would come to Canada. They would find splendid opportunities here, and I think it will be admitted that we need them for the proper development of this industry, which offers employment to so many people.

This afternoon the hon. member for Digby (Mr. Jameson), who moved a resolution that it was desirable that the Department of Fisheries should be established under the control of a separate minister who would devote his entire attention to the encouragement and development of the fisheries alone, said that, in his opinion, the increase in the growth of our fisheries had not been satisfactory. If I recollect correctly, he told the House that $75,000,000 was the value of the fisheries in the United States, while the value of the fisheries in Canada last year was $35,000,000. I think my hon. friend ought to bear in mind that the conditions in the two countries are not similar. I do not think that the comparison which my hon. friend makes is one that justifies or bears out his contention. We must remember that the United States to-day is a nation of about 100,000,000 people, that the American fishermen have a market for their fish right at their very doors, that the industry there has been much longer established than in this country, and that there are a great many more men engaged in it than are engaged in fishing in Canada. If he compares our population of less than 8,000,000 with the American population of nearly 100,000,000, he will see that our production of $35,000,000 worth, which will be increased this year to $40,000,000 worth, is not an unfavourable one for Canada. There is no doubt, as my hon. friend stated, that Canada's fishing grounds are the most extensive in the world. We have on the Atlantic coast about 5,000 miles of sea coast, running from the Ste. Croix river around New Brunswick and Nova Scotia up the gulf of St. Lawrence. We have on the Pacific coast some 7,500 miles of sea coast, not counting indentations and many of the bays, and we have also in Ontario and in the western provinces, very extensive fresh water lakes in which many fish like whitefish, sturgeon, pickerel and others of very considerable value are to be found. There is no doubt that as the development of the country proceeds, as the number of our fishermen increases and as a greater market for their product becomes available, there will be a much larger production of fish than there has been in years past. In making that assertion, may I point out that from the year 1886 until a few years ago, little or no progress was made in the Atlantic fisheries. My hon. friend is disposed to attribute this circumstance to lack of proper attention by the department in charge. While it is true that there was very little progress in the Atlantic fisheries during the time referred to, it is fair to bear in mind that the conditions prevailing before 1886 were much more favourable to the Atlantic fisheries than the conditions during many years following that date. From 1854 until a year before Confederation a reciprocity treaty had been effective under which fish and the products of the fisheries were admitted into the United States markets free of duty. In 1872 the Treaty of Washington was entered into, which again gave the freedom of United States markets to our fishermen. This treaty remained effective until 1885, and its provisions were much more important to our fishermen at that time than they would be now. Again, the mackerel fishery was at its zenith during the years prior to 1886. The quantity of mackerel taken then was nearly three times as much as the quantity taken now, the value being nearly double. Moreover, the general conditions in the country from 1886 onward for a number of years were not such as to afford much opportunity for the rapid development of our Atlantic fisheries. No doubt the pickled fishing industry could have been greatly developed under proper conditions, but it was a difficult matter to find capital ready for investment in that direction, and the competition of a well-established business from Europe had to be met and overcome. Under the Fish Inspection Act, applied three years ago, and which has been in operation two seasons, the necessary steps to develop this industry are now being taken.

My hon. friend points out that the original department was the Department of Marine and Fisheries. No doubt the work of that department has enormously developed since its inception a year or two after Confederation. A judge of the Supreme Court of Canada who was Minister of Marine and Fisheries from 1896 to 1902 said the other day that the department, from what he saw of it, must have ten

times as much work to do now as it had during his time. Other work has since been added to the department. Some years ago the work of the St. Lawrence ship channel was administered by the Department of Public Works, but when Mr. Prefontaine was Minister of Marine and Fisheries that work was transferred to that Department. Then, it was provided by the terms of the Naval Act that the Minister of Marine and Fisheries should be the Minister of Naval Affairs. I assume it was thought at the time that there would not be very much work in the Department of Naval Affairs. That was the case for a time, and that was the reason why we divided the department. When I came into the department I found the Marine and Fisheries Branch very much overburdened with work, while the Naval Service Branch had not nearly so much to do. For the purpose, therefore, of equalizing the work, the administration of matters pertaining to the Fisheries was handed over to the Department of Naval Service. The Fisheries Department administers the Fisheries Protection fleet and the Fisheries Patrol fleet, both of which services logically come under the Department of Naval Service. There is no doubt that the work has enormously extended. While that is the case, I think the hon. member for Digby jumped at too hasty a conclusion when he intimated that the work of the Fisheries Department was being neglected and had been neglected ever since the department was formed. He asserts that during all these years, even when the work of the department was not so extensive, proper and adequate attention was not given to the development of our fisheries. I shall not argue that much more cannot be done than has been done, but the fisheries officers of the department—I know them intimately—are very capable men indeed. Mr. Found is wonderfully well informed with regard to fishery matters, is a most energetic official and active in the discharge of the duties of his position. The same may be said of Professor Prince, a scientific man connected with the Fisheries Department, as well as the other fishery officers.

During the past five years great attention has been given to the development of our fisheries with the result that many waters that were being rapidly depleted a few years ago, have been replenished with fish. There has been also an increase in the salmon fisheries of the Atlantic coast, and in many other directions considerable development has been attained. This is true in respect of all branches of the fisheries, with the exception of the oyster industry, which, unfortunately, for quite a number of years showed a steady diminution. I am glad to say, however, that under arrangements made between the Federal and the Provincial Governments, barren bottoms are being leased for replanting, and the chances are that along the coast of Nova Scotia, New Brunswick and Prince Edward Island, as has been the case in United States, a great development of that industry will take place, with great benefit to the oyster fishermen and to those who have been enterprising enough to put their money into the work of development which is now going on.

I am not prepared to discuss whether or not there should be another department to take charge of the fisheries. My hon. friend has suggested that the reason why Newfoundland does not come into the union is because they fear that sufficient attention will not be paid to their fisheries. I think that is the first time that reason has been suggested; I always understood that other reasons induced a great many of the people of Newfoundland not to look favourably upon the idea of a confederation with the other provinces of British North America. I sincerely hope that that idea is disappearing, because I think it would be a splendid thing for Newfoundland, for Canada and for the Empire, if Newfoundland should eventually come into the union, situated as it is at the mouth of the St. Lawrence and at the very entrance to the heart of Canada. I do not think my hon. friend can find the slightest justification for the argument that he has put forward in this respect. It may be that fishery matters in Canada can be treated with greater energy. One of the difficulties encountered at present is that a great many men have gone away to fight and there are not as many men available to engage in the industry as there were some years ago. At present there is a market for all the Canadian fish that can be produced. The home market is increasing. People at points distant from the sea-board, owing to the campaign of education that has been taking place, are beginning to appreciate in greater degree the value of fish as a food. In view of the high price of meat of all kinds, fish will doubtless be sought more than it has been in the past. Moreover, our fish are being sold in increasing quantities in the American markets, and large quantities of Canadian fish are being sent over to Great Britain not only for our

soldiers, but for the purpose of feeding the civil population as well. The reason for that is that in Great Britain the condition of affairs is such that many of the trawlers in the North sea have been driven off the waters, some having been torpedoed, others havings been taken over by the Admiralty. When I was in Great Britain a few weeks ago, I was talking to a gentleman in Grimsby, one of the largest fishing centres in that country, and he told me that from the port where he lived there had usually, in normal times, been 36 trawlers sailing out into the North sea, but that at the present time there were only five trawlers engaged in the fishing business. As a result, there is not the same supply of fish from home waters or from water contiguous to Great Britain for sale in the different markets, and there is a market there for Canadian fish, for the use not only of our soldiers but of the civil population as well. I asked that gentleman whether it was likely that the trade in frozen fish in Great Britain would be permanent, and his idea was that it would not; that after the war, when the fishing industry in Great Britain again assumed its normal condition, when the trawlers were all in commission again, bringing in fish daily for distribution throughout the country, it would be unnecessary for the British to have frozen fish brought from Canada, as they would have an ample supply for themselves. I think it is perfectly clear that the consumption of fish in Canada must and will develop, and year by year people are realizing, through instrumentalities such as the Toronto Exhibition, the distribution of literature, the discussion of this matter in Parliament, the discussion that goes on in the press from time to time, the value of fish as a food. When conditions again become normal, no doubt there will be an enormous development of our fisheries on our sea coasts and on our lakes. It is most gratifying to know that in lake Winnipeg and in our Ontario lakes where the fish were depleted years ago, the result of the fish breeding hatcheries has been that more fish are to be found in those lakes to-day than during the past generation.

My hon. friend (Mr. Jameson) has done good service in bringing this matter to the attention to the House. As he said, it is not often we have a discussion in this Parliament on an economic question. We can discuss this matter without any prejudice and without any idea of gaining any party advantage, because we are all only too anxious to develop the great resources of the country, to make them as valuable to our people as possible and to preserve them as far as we can for the use of future generations.

After the war there will possibly have to be a very general change in regard to the departments of Government, and probably this House will have to consider the desirability of having a naval department standing by itself with a separate minister entirely apart from the minister who administers the Department of Fisheries. We may find it necessary to do as has been done in Australia, where the system has been adopted of having a defence minister, who administers both the War Department and the Naval Department. To-day my hon. friend from South Renfrew (Mr. Graham) stated that he has received letters suggesting that a separate Department of Mines ought to be created under a minister, for the purpose of developing the mining industry of the country. These suggestions are all, of course, subject to consideration, and I for one am not prepared to say that they do not carry weight, but at the same time we must bear in mind that for a country with a population of less than 8,000,000 we have a large Government as it is; we have some 17 or 18 ministers and more than that number of departments because some ministers preside over more than one department. The whole question is one that cannot be determined simply on a resolution of this character dealing with one department of the Government; it will have to be dealt with from a more general standpoint when the war is over.

So far as my department is concerned, as my hon. friend has pointed out to-day, it is finding a great deal of work to do and has more subjects to deal with than any other department of Government. A great deal of additional work has been thrown on our shoulders, not only in the Naval Department, but in the Department of Marine and Fisheries, as a consequence of conditions that have been created by the war. I would like to pay this tribute to the men and women in my department with whom I am working every day: for I have always found them anxious, ready and willing to undertake that extra work, and cheerfully to do what they can, under the abnormal circumstances that exist, to keep the work of the department up to the mark and, as far as possible, promptly to deal with all questions that come before the

9 p.m.

department. As minister of the department, I cannot, as my hon. friend says, give my entire attention to the fisheries or to any one branch of the department. Not only has a minister the duties of his department to attend to, but he has to attend to his work in Parliament; he has the affairs of his constituents to attend to—and that is not a small work when he represents a large constituency—and he has also to give time to certain political questions that have to be considered from time to time. Canadian ministers do what ministers do in England: The departments have permanent heads who are men of capacity and ability, and the different branches of the departments are presided over by men of ability. The different matters that come up for consideration have to be thought out by the permanent heads of the department, and then those matters are submitted to the minister who has to use his very best judgment in coming to a conclusion according to the facts presented to him. No minister can spend his time in digging up those facts for himself or in classifying them; he has to depend on the judgment of others, and in many cases men in this country and in every other country are called upon to preside over departments concerning the work of which they have had no previous knowledge. That is so in Great Britain. The Earl of Derby is called to be Minister of War; Sir Edward Carson, a lawyer, is made First Lord of the Admiralty, and Mr. Bonar Law, a man who in his earlier days was engaged in the iron business, becomes Chancellor of the Exchequer. The same thing prevails in this country. You cannot have for Postmaster General a man who has always been a postmaster and who has had a knowledge of postal affairs, and all a minister can do is to do as a judge does, to bring his intelligence to bear upon the different questions with which he has to deal, obtaining from those who are acquainted with the work of the department, the best knowledge they can lay before him and obtaining the best views that he can get, and then to make up his mind. Other men might possibly be able to do more work than I can perform; but there is a limit to what any man can do, and I know that in my department at the present time, so far as my officials are concerned and so far as I myself am concerned, every minute of our time is occupied. When conditions become more normal, a distribution may be made that will be more in the public interest; but I do not wish to admit for one moment that my predecessors in office neglected the interest of the fisheries, and, so far as I am concerned, I desire to say that every attention that is possible under existing circumstances has been given to the development of the fisheries, and if I can rely on the judgment of my fishery officials more work of development has taken place during the past four or five years than in many years previously.

Mr. J. H. SINCLAIR (Guysborough): Mr. Speaker, I wish to congratulate the minister on his new departure. I am sure that his address has been listened to with a great deal of interest by members on both sides of the House. It has often occurred to me that it would be a good thing that when the Minister of Marine and Fisheries asks for his Estimates for the year, he should make a statement of the work of the past year and the policy that the department intends to pursue for the year to come. The minister has adopted that suggestion. While we listened with interest, as we always do, to his smooth and persuasive speech some of us were not a little disappointed that he has not been able to work out a more progressive policy. I sympathize with the attitude taken by my hon. friend from Digby (Mr. Jameson) that the Department of Marine and Fisheries, and especially the Fisheries Branch has not been conducted vigorously in the past, and has not done the work that the country expected it to do. My hon. friend from Digby intimated that the colony of Newfoundland had kept out of the Union for fear their fisheries would be neglected if they joined this Dominion. I do not know whether that is the case or not, but I cannot help feeling that the fishing interests of the province from which I come would have been in much better shape than they are in to-day if they remained under local control. Other industries in the province of Nova Scotia have made splendid progress. We have been able to develop a great coal mining industry, a very important fruit industry, as well as a great agricultural industry. All of these are under the control of a vigorous local Administration. On the other hand the fishing industry, which is really one of the most important in our province, has been marking time for practically half a century. In the last report of the Marine and Fisheries Department you will find that there has been no increase during the last 30 years in the value of the fish caught. But that

does not tell the whole story. During that period there was really a decrease in the quantity of fish caught, but on account of the higher price the total value of the catch kept up to the level of thirty years ago. Now that is not a very good record, especially for the provinces of Nova Scotia which is the great fishing province of eastern Canada. Whatever progress has been made has been made largely in the province of British Columbia, where the salmon and halibut industry have been developed. The fact that the total value of the fisheries of Canada show an increase is due to the progress that has been made in British Columbia, and not because of any progress in the Maritime Provinces or in Quebec. I attribute the development of the industry on the Pacific coast partly to the fact that the railway express companies have dealt with the transportation question in a vigorous manner. There the Dominion Express Company as a means of transportation has been very successful; but our experience has been different in eastern Canada. The remedy that my hon. friend from Digby suggests is to appoint a Minister of Fisheries. I do not know whether that will be of any great value. I think it would be quite suffiicent if a little more life could be infused into the present minister. If he would only show a little more vigour and enthusiasm, introduce necessary reforms in the department, I think we could get along very well with one minister. But the minister must give his officials a lead. I do not object to the proposal of my hon. friend from Digby, but I do not think it is the best remedy. The situation requires something more, and I think it could be met by the present minister if he would only show more energy and conduct the department on business principles.

My hon. friend has referred to the fact that last year the Marine and Fisheries Committee held a number of meetings and carefully investigated the fisheries of this country, but, as my hon. friend from Digby pointed out, we were not honoured with a visit from the minister during the whole session. The committee in their report made certain recommendations, which the minister has gone over very carefully to-night, indicating to what extent they have been carried out. He failed, however, to show that anything substantial has been done. An attempt was made to do something in the way of inspection. A man was sent to Mulgrave we are told for two or three months to look after shipments from that point. The minister withdrew the man and never expects to send him back again. That was a very abortive attempt in the direction of inspecting shipments. Everybody knows that fish is the most perishable article on the market. No other article begins to decay so quickly, and it is therefore of the utmost importance to have the best transportation facilities. There should be a cold storage at the terminals, and quick transport by refrigerator cars; the fish should be got to the market in good condition and with as little delay as possible. Without these facilities the fishing industry cannot be developed. The minister's attempt at inspection was so ridiculous that nobody will regard it as a final attempt. We shall not be satisfied until something more is done.

I need not point out to the House that the fishing industry is capable of very great development. My hon. friend from Digby pointed out that for the capital invested, no Canadian industry gives such a large return. The industry has a capital invested of about $25,000,000, which includes wharves, warehouses, and all appliances on land as well as the boats, vessels, and nets that are used on the sea, and that investment of $25,000,000 brings in a yearly return at present of $35,000,000. I do not think that can be said of any other Canadian industry. There is no reason why that $35,000,000 could not be enormously increased, doubled or trebled, in fact, with proper facilities. We have assisted many other industries in this country by bonuses. We have spent from $16,000,000 to $20,000,000 in bonusing the steel industry, and as a result a great industry has been built up in this country which otherwise we probably should not have had. The fishermen are self reliant and they are not asking for anything of that kind so far as I know. What they are asking for is a chance to carry on their business; they want the facilities for developing the industry, not a cash bonus.

The greatest question of all is transportation. We cannot develop the fishing industry unless we can improve transportation from the place where the fish is caught to the market. My own constituency affords a very good illustration of that fact. About twenty years ago the town of Canso in my constituency was carrying on a fishing business in the old-fashioned way. They had no proper means of sending fresh fish to market because at that time there was no daily boat connecting the town of Canso with the Intercolonial at Mulgrave. The

consequence was that they were unable to develop the trade and they had to sell it in the old-fashioned way, either dried or pickled.

This condition of affairs was brought to the attention of the former Minister of Finance, Mr. Fielding, and he was asked to do something to enable the fishermen of Canso to ship their fish by the Intercolonial railway to Montreal. The Government of which he was a member gave a small subsidy, $5,000 per year to aid in placing a steamer on the route between Canso and Mulgrave. A steamer was secured, and the business immediately began to grow, as the following figures showing the shipments actually made, will demonstrate:

Comparative Shipments of Fish via Intercolonial Railway From Mulgrave.

Year.	Tons Fish Shipped.	Value.	Railway & Express Charges Paid.
1891	162	$ 11,340	$ 1,134.00
1895	790	69,900	4,805.00
1896	900	73,000	6,460.00
1897	997	77,600	9,596.00
1898	1415	99,050	11,312.00
1899	1353	94,710	14,493.00
1900	1450	100,000	16,500.00
1901	1900	133,000	19,760.00
1902	1800	126,000	18,720.00
1903	1600	112,000	16,840.00
1904	1700	127,500	17,680.00
1905	2201	116,070	23,032.06
1906	3154	220,780	29,063.01
1907	3156	220,920	24,417.70
1908	3372	235,900	31,644.03
1909	2371	191,170	26,685.55
1910	3431	240,100	36,022.58
1911	4110	308,250	45,179.11
1912	4238	317,850	45,730.69
1913	5314	398,550	60,442.21
1914	4510	338,250	48,708.31
1915	6419	481,425	72,371.77
1916	7116	569,335	90,434.04

Add to this the shipments from Canso by water:

	Value.	Freights.
250 tons fish oil	$ 12,000	$1,200
75 tons fish glue	9,000	360
350 tons fish fertilizer	12,250	1,750
1100 tons fish	77,000	5,500
1775 tons.	$110,250	$8,810

This is one of the best illustrations you can have of the development that might be brought about on the coast by giving the people a chance to transport their fish to the market. The trade shown in the figures I have just given could not have been built up without a daily boat to Mulgrave, or without refrigerator cars on the Intercolonial railway.

There are just two questions that have to be dealt with: the first is transportation, and the second is the market. We have not a very extensive market for fresh fish in Canada; our cities have not grown to enormous size as yet. We cannot get up a very large fish trade either on the Atlantic coast or on the Pacific coast if we are to be confined altogether to the Canadian market. There are two markets open for the Canadian fisherman, the Canadian and the American. It is much more important for the people on the coast of Nova Scotia to reach the Boston market than to reach the market at Montreal. We are very glad to be able to reach the market of Montreal, and it is a good market, but it will never develop the fishing industry in large degree; we must be able to reach also the United States market if we are to develop a great fishing industry on the Atlantic coast. I made the suggestion to the Minister of Trade and Commerce two or three years ago, that he should do something in the way of getting a fast fish boat to ply between the ports of Nova Scotia and Boston. My proposal, I am sorry to say, was not adopted. Boston, let me say, is one of the greatest fish markets in the world; I suppose that there is no other in the world so large, except, possibly, Grimsby in England. From Boston, fish are transported to New York and other great cities of the coast, and to all other points in the United States this side of the Rocky Mountains. We reach that market from Yarmouth at the present time by a regular steamboat service and a good industry has been built up from that point, just because they have the transportation facilities. If we had some way of collecting the fish along the coast—and that is a matter for the Minister of Marine and Fisheries to think about—we could forward a very much larger quantity to the American market than we are forwarding now by way of Yarmouth. There are other points on the coast where fish could be collected, such as Halifax, Mulgrave, and Sydney, where the Intercolonial touches. The Intercolonial has never been progressive in this respect. If my hon. friend (Mr. Hazen) could persuade the Minister of Railways to do something to develop the fishing industry, he would be helping the fishing industry and also helping to build up business for the Intercolonial. I have shown you how, by the investment of $5,000 in a small subsidy, the Intercolonial is now reaping $90,000 a year for the freights on the fish that are brought to the railway at one point by the subsidized boats. Canso and Queensport are not the only places where that development could take place; equally good results could be gained at other points if facilities were given. This is work I should expect my hon. friend to do, but

which he has not done. I think his address of this evening will be disappointing to the fishing interests of the country. He has given us a long speech covering statistics which we could read in the blue book, but he has not outlined any policy to build up the fishing industry. At the investigation of last year, to which he referred, a great deal of information is brought out. The report of that investigation was printed in the form of a book of 300 pages. It covered a great many suggestions from the committee, but no substantial attempt has been made to carry them out. In order to show this committee how backward the transportation facilities are between the Atlantic coast and the city of Montreal, I wish to read an extract from the evidence of Mr. A. H. Brittain. Mr. Brittain is managing director of the Maritime Fish Company, and also chairman of the Transportation Committee for the Canadian Fisheries Association. The committee were discussing the matter of the transportation facilities between the Atlantic coast and the city of Montreal, and certain questions were put to Mr. Brittain which he answered. The report of the evidence on that point is as follows:

By Mr. McKenzie:

Q. In regard to the question of transportation, do you think that the fast freight is a practical proposition from the railway standpoint?—A. Yes, I believe it is. I believe that the fast freight will eventually take care of the business that has grown up from the express service. But we cannot do away with the latter. Even with the fast freight service we shall still need the express service; we want both.

Q. Do you think the supply of fish in the Maritime Provinces would not be sufficient to require a train every second or third day?—A. No, not a train, we have not as yet got the consuming population.

Q. The problem from the railway standpoint is how to care for the balance of this trade needing a fast freight service.—A. I would not suggest that the railway companies should make up fish trains at the present time; I would not care to have that go down as a suggestion from me. What I do suggest is, that the refrigerator service in connection with the express service at the present time, study the advantages of fast freight in connection with shipments of fish; and last, but not least, that the effort be made to try and make arrangements with the express companies—from the east I am talking of—to put one end of the car into such shape that it would be used as a refrigerator and not left open for any ordinary express matter. As I explained before, in the summer time the cars are hot, they arrive in Montreal with no ice in them, and the shipment itself high and dry. In the winter time the cars, owing to the steam pipes with which they are fitted, are so hot that the fish arrives with no ice on it, and when it gets to Toronto it is also high and dry. There is the same difficulty in the winter as in the summer.

By Mr. Kyte:

Q. Then they are not refrigerator cars?—A. No. We have no refrigerator service from the east for less than carload lots by express.

You would hardly believe that such is the case, but here is the statement of Mr. Brittain that after forty years' experience with the Intercolonial service between the Maritime Provinces and Montreal we are not yet able to send a box of fresh fish to Montreal from Nova Scotia in a refrigerator car by express. That is the situation, and yet my hon. friend the Minister of Marine and Fisheries does not see any way of remedying it. You can send a carload by fast freight. That system was introduced by the last Administration, it is continued and has been instrumental in building up a fine trade, but if you want to send a box of fresh fish to Montreal or to any other place from the Maritime Provinces by express you have to put it into an express car and mix it up with dry goods or other articles, like ladies' bonnets, or anything else that the express people have to carry. The car is heated in order to keep the express man warm during the winter and the consequence is that before the fish gets any distance on the way to Montreal the ice has melted and the fish is liable to be in such a condition that it is unfit for use. That is the condition of the express service and my hon. friend confesses that he has not been able to do anything to remedy it. I am not giving you my own statement for this, but I am giving you the statement of the managing director of the largest fish company in eastern Canada on this same point. I would also like to read you an extract from the address of the president of the Canadian Fisheries' Association, held in Montreal on the 17th February of the present year and published in the Canadian Fisherman. The president, Mr. D. J. Byrne, who is a prominent man in connection with the fish trade of Montreal, delivered an address, from which the following is an extract:—

It is an absolute fact that the full development of the fish trade in Canada and the development, as well as the increase for home consumption has been seriously retarded by obsolete methods of transportation which are still in vogue and which it has been our constant effort to improve. We should insist that Railway and Express Companies carrying perishable fish products provide up-to-date equipment for the purpose, because in no other way can the home market be developed to its fullest extent and it is quite safe to predict that when fresh fish can be delivered at consuming centres in the best possible condition the demand will increase to an extent which cannot be hoped for without these necessary improvements.

I would strongly recommend that the incoming Executive Committee spare no effort to secure the improved facilities and proper service from the various transportation companies handling our products, from which they derive large revenues. I suggest that the assistance of the Naval Service Department of our Federal Government be again enlisted with this object in view.

It is, therefore, the opinion of the president of the Fisheries' Association that our methods of transportation between the Maritime Provinces and Montreal are obsolete and as a result we have not been able, with these methods, to build up anything approaching a great fishing industry. Still the minister seems to be quite satisfied with these methods. I do not know whether we can do anything more to convince him or not, but in looking over the list of recommendations made by the special committee of this House on fisheries, I cannot find that very much has been done. The first of the recommendations which was made is one in regard to inspection. An abortive attempt was made at Mulgrave to do something in the way of inspecting shipments, but my hon. friend seems to have abandoned the idea of doing anything more. The second is:—

That the express facilities be so improved as to ensure daily transportation of sea foods from the east by means of the chilled car service.

Nothing has been done in the direction of improving the express service from the East.

3. That the refrigerator car service for the transportation of sea foods be so improved as to render it available on express trains.

That has not been done.

4. That the consolidation of shipments for different points in the express refrigerator car, on the basis of carload express rates, to the farthest point, and the opening of car in transit to set down fish at different centres en route, would materially aid prompt and economical distribution of sea foods.

I have heard it questioned whether that is a practical proposal or not, but at all events there has been apparently no investigation and no attempt to carry it out. The next is:—

That a carload lot express rate, substantially lower than the L.C.L. rate should be fixed on sea goods from the east.

That has not been done. Recommendation No. 6 has been carried out, but No. 6 simply recommends that the old quantity be restored. It is:—

That the minimum freight carload quantity, on the Government Railway be reduced from the new scale of 24,000 pounds to the former scale of 20,000 pounds.

That was the proposal and that has been done. I never saw any good reason for increasing the minimum carload quantity and there was so much opposition to the increase that my hon. friend apparently secured the consent of the railway department to the proposed reduction. For this we must give him credit.

8. That an exclusive express service operated by the Government be inaugurated on the Intercolonial Railway and Prince Edward Island sections of the Government railways, as a preliminary to any general scheme for the nationalization of express business in Canada.

My hon. friend has made no reference at all to any attempt to deal with this important recommendation.

I want to point out, Mr. Speaker, that after this committee had devoted most of a month to investigating this matter to the best of their ability and had brought in their recommendations, they were unanimously adopted by the House of Commons. My hon. friend the Minister of Marine and Fisheries should have attempted immediately or as soon as possible to carry them out. Most of them are very practical suggestions but no attempt has been made to comply with them and no satisfactory explanation has been given to show why they have not been complied with.

I might refer to the apparent disregard of the department of the interests of fishermen on the question of salt. This question arose during the present season. It became known last winter that the freight rates were so high that it would be difficult for the merchants on the coast to secure salt enough to carry on the fishing trade and as early as February last correspondence was opened with the Department of Trade and Commerce asking the Government to do something in the way of providing tonnage to carry salt across the Atlantic so that the fishing industry could be carried on. The fact is that little has been done, and it transpires now from evidence that has been placed before the House by the hon. junior member for Halifax (Mr. Maclean) that transport ships have been coming across the Atlantic empty in connection with the work of the Admiralty and that some of these ships have been carrying mud ballast from the other side and that it has been costing $1.25 a ton to discharge this ballast out in Bedford Basin. With proper foresight these ships could have come over with salt instead of mud and there would have been plenty of salt available to carry on the fishing industry. If the minister had been alive to the interests of the fishermen he would not have

allowed a circumstance like that to have taken place but he would have approached the Admiralty and seen that tonnage was secured in order that the fishing industry might have a sufficient supply of salt for the season.

I hope that, even if we do not succeed in getting a Minister of Fisheries alone, we may be able to get some kind of progressive policy from the department as at present organized. The minister could do a great deal that he has not done. He has, I believe, capable and energetic officials, some of whom are as good men as he could find anywhere but these officials want a lead from himself. The minister is the man to whom we have to go with our complaints and criticisms, and he is the man who is responsible for the administration of his department, and not his officials. I trust he will bestir himself and take steps to put into practice the recommendations of the Fisheries Committee looking towards the development of this important industry. A programme has been outlines by the committee which contains, I think, the principal things that are required at the present time. It is results that we want, and want them now; we do not want to wait for them too long. My hon. friend has been in office for six years, and I am sorry to say there is really not very much that he can show of a progressive nature that he has attempted or accomplished. I am not opposed to the proposed addition to the Cabinet but I am not inclined to swap horses now when we are crossing the stream, I would rather have some results from the present minister and I hope that, after the discussion to-night in which it has been again drawn to his attention that the transportation facilities are in such a backward state, he will endeavour to do something to have them improved.

Mr. D. D. McKENZIE (North Cape Breton): Mr. Speaker, I have been greatly interested in the addresses of the hon. member who introduced this resolution (Mr. Jameson) and the Minister of Marine and Fisheries. The subject has been very fully dealt with by the minister and by the hon. member for Guysborough. It is not a new subject to this House, and I shall not go over grounds that have been traversed in the years that are gone by. I wish to say a few words on this great subject of fisheries, and as a preliminary I would say that the fishing industry and the fish products of Nova Scotia have never had a fair show in this country, have never been fairly brought to the notice of the consuming people of Canada beyond the province itself. There is a large market for fish in the various cities of Quebec and Ontario, but we have not been in a position to put that excellent product in its inviting condition and with its proper tasting qualities before the people, as it has been injured in transit as a rule, and what is a most palatable and excellent article when it leaves Nova Scotia, becomes stale and distasteful and uninviting before it reaches the table of the consumer in the central provinces. To overcome these difficulties should be our principal object. It is, of course, interesting and encouraging to be able to say that we have the fish in abundance. When people launch upon any enterprise, it is well to be sure that they have in abundance the article with which they propose to deal. Sometimes men launch their capital upon mining speculations only to find after they have spent it that the mineral which they expect to find is not in their property. We are far past that stage, so far as the fisheries of Nova Scotia and all of Canada are concerned. The fish are there in abundance and of the very best quality. It so happens that I represent a section of the province of Nova Scotia which is the home of fisheries on a very large scale. So in discussing fisheries I might be accused of being local in my observations because I talk of matters in my own constituency; but I do not think that makes it any less important to talk about those things and to present them, because a very large section of the very cream of the fishing grounds of the province of Nova Scotia happens to be along the coast of the island of Cape Breton of which Cape Breton North and Victoria forms a part. As I have said, it is encouraging to be able to tell the minister and the Government that we have the fish. We have it in tons and millions of tons, and anything that we have caught of the fisheries in the province of Nova Scotia is but touching the fringe of an unlimited quantity that is available there. So much then for the quantity that is there. As the minister has pointed out, from the western coast of New Brunswick along the whole coast of that province, the province of Nova Scotia and Prince Edward Island and up to the frozen north is one continuous fishing ground of the richest and best quality. The fish is there, there is no question about that. The next thing, of course, is that the fish must be caught. Let me say to

the minister that it is useless to think of making a development or an advance along these lines without the expenditure of money. We must all take our share of responsibility for putting the money at the disposal of the department in order to find the facilities to catch the fish and place it on the market. I think that all Ministers of Marine and Fisheries in this country since Confederation have been a little too timid about the amounts of money they should have and could have expended in connection with the development of the fishing industry, and I hope that the present minister and future ministers will enlarge their ideas in that respect and spend more money. I may be asked, what are you going to spend the money for, what are you going to do with the money? And I may point out, as has already been pointed out, that while it is certainly not the duty of the Government to send out men in boats to catch the fish, it is the duty of the Government to make the building and harbouring of boats and the going to and from the fishing grounds as safe and convenient as possible. These are things that must be done by public money, that cannot be done by the enterprise of the fishermen alone. In the county from which I come, along the north coast of Cape Breton, we have very extensive fishing grounds, but they are along a forbidding rugged rocky coast with very few harbours. The money that has been spent in the development of those harbours and in the building of breakwaters has resulted in substantial benefit to the fishing industry. Though there is yet much to be done, we have been able to use larger boats, go further out into the sea and obtain bigger catches. Millions of tons of fish have been carried away from the very doors of our fishermen by American vessels, taken to a foreign country and sold, the profits that should be made by ourselves going to foreigners. The minister must get money from the public coffers for the development of the harbours and the encouragement of our own fishermen as well as of those whom we can induce to come from Newfoundland to develop our fisheries if the conditions are at all favourable.

After the fish is caught, proper facilities must be available for getting it to market as speedily as possible. The centres of trade and of consumption must be put in touch with the places where the fish are to be obtained. The minister need not apologize for spending money for this purpose. The fishing industry can never be developed at Canso, for instance, a great fishing centre, by the use of a single boat running from Canso to the Intercolonial terminus at Mulgrave. The only way of solving the difficulty is by extending the railway to those points. Every inch of the coast line of Cape Breton should have railway accommodation, because the whole coast abounds in fish, and the greatest discouragement to the fishermen is the lack of transportation. The development of the harbours in the northern part of Victoria county has brought about good results. Two large American concerns have been doing business in that part of the country since the opening of the harbour of Ingonish, as a result of the appropriation of moneys voted by the late Administration. In getting these moneys for the development of harbours and breakwaters, I was regarded by many hon. gentlemen as spending money for the purpose of getting votes. I am sorry to say that that is the manner in which many members of this House view the expenditure of moneys for the opening of harbours and the building of breakwaters to serve the needs of our fishermen. But, as I say, one of the results of the opening of the harbour of Ingonish has been the activity of these great concerns, the Gorten-Pew Company of Boston and the Thompson Company which have amalgamated, and the firm of Collis, Jones and Whitman. They handle hundreds of tons of fish every year, paying for them readily, saving a great deal of labour and enabling the people with whom they deal to obtain the fish in better condition than they could otherwise secure it. The provision of proper facilities for the catching and the marketing of fish cannot be made without an expenditure of money and a more active interest in the matter on the part of the minister. The Railway Departmen have dealt with the transportation of fish as they would with passengers who had smallpox; the fewer they had and the quicker they got rid of them, the better they liked it. I fear that the minister regards all this discussion and the time which it takes up as a nuisance, and something that he would be glad to be rid of. But the only way to get rid of it is to make proper provision for the development of the fisheries, one of the most magnificent industries of Canada.

Last year and several years before, I asked the minister to make provision for bait along the coast. In the small colony of Newfoundland the Government provide steamboats with cold storage facilities that

carry an ample supply of bait for the use of the fishermen. No doubt, headquarters are provided which supply the steamers with bait from time to time. We have nothing of that kind. Surely we can do what the Government of Newfoundland, a country with a small population, can do. In the county from which I come, at certain seasons of the year when fish are practically running in on the shore in tons, the fishermen have no bait, and they suffer to that extent. Money devoted to development along the lines which I suggest would be well and profitably spent. Places should be established along the coast of Cape Breton and elsewhere in the province of Nova Scotia where bait could be obtained at any time by the fishermen. It is of no use to say that the fishermen themselves should establish these places; they have not done it in the past, and they will not do it now. If the minister, then, will take some steps to make it easy for the fishermen to catch the fish; if he will provide facilities for bringing that fish to market and take such other steps as I have suggested, he will be doing a great service to the people and will justify the expense of the department over which he presides.

Mr. W. S. LOGGIE (Northumberland, N.B.): I have listened with much interest to the remarks made by the minister with regard to the fisheries of Canada during the last year. I regret that what to my mind was the most important recommendation made by the Committee on Marine and Fisheries last year was passed over by the minister with this remark, that it was found that the recommendation was not required because the fish arrived at destination packed in ice, and in good condition. That remark may be true in the months of April, May and June, but from my experience I can say that during the hot months of July and August fish do not arrive at destination properly preserved in ice, and that if compartments of the car were set aside and ice chambers used, the fish would arrive in much better condition. But that is really not the important part of the recommendation. It was clearly brought out before that committee that deterioration was very much greater in the winter season than in the summer season, and that matter was entirely passed over by the minister. On a previous occasion I have stated in the House that I can send a carload of fish to London, England, and it will arrive there in good order, whereas if I send a box of fish from my town to the city of Montreal during the winter season, I cannot expect it to arrive at Montreal in good condition. Why? Because frozen fish are placed in heated cars, and when they come into contact with the heat of the car, the frost is drawn from the fish and you can never get them back into proper condition, and unless they are consumed immediately, they deteriorate very quickly. The recommendation to which I have referred is the most important part of the recommendation of the Marine and Fisheries committee; yet the minister tells the House to-night that that recommendation was found not to be required at all. The minister instanced the fact that they put an express car on the route once a week. If I am not corerct, the minister will kindly correct me. I do not remember that he mentioned the day in the week that this car was put on the route, but he said that it started from Mulgrave and picked up the freight from Halifax. I do not wonder that the car was taken off; I claim it is quite impracticable to put a car on once a week and expect that to satisfy the needs of the trade or to enable the producer to place fish in the market from day to day as is required. The shipment of fresh fish by express must not be provided on only one given day in the week. It is true, I will admit, that perhaps Tuesday would be the best day of the week for the shipment of fish, but one car a week will not meet the requirements. Nothing else will meet the requirements except a car north on each of the six days in the week, and that car provided with a compartment where ice and salt can be put in the chamber so that the car may be kept cool. That is more important in the winter season than in the summer season, and yet the minister never referred to the matter at all.

10 p.m.

Another thing that is most important for our fishing industry is markets, and to-day we have in a foreign market that is friendly to Canada a considerable demand for salted codfish, but the duty on these goods entering that country practically prohibits our using that market. I think therefore that the Department of Marine and Fisheries should suggest to that country that they might reduce the rate of duty or perhaps permit that commodity to enter free. Let me give an instance. At one time codfish went to the markets of France and word came back that those fish were subject to a duty of forty-five francs per hundred kilograms, or about four cents per pound. That is something that the Department of

Marine and Fisheries or the Department of Trade and Commerce might take up in the interest of the fishing community of this country, especially at this time when the fishermen of France are not able to frequent the waters of St. Pierre and Miquelon, and when we would not interfere with the French fishermen if we had access to their market at a reasonable rate. If the Department of Marine and Fisheries would take up that matter, they would be doing something to aid and foster the fishing industry.

The minister informed us that the recommendation regarding the 20,000 pound car was undertaken, but he did not tell us whether the rate per hundred pounds was increased thereby. It is all very well for the railways to reduce the minimum carload from 24,000 pounds to 20,000 pounds and to increase the rate per hundred pounds. The minister did not tell us that the matter worked out in that way.

Let me refer just for a moment to what the hon. member for North Cape Breton (Mr. McKenzie) referred as something that would encourage the industry perhaps as much as anything the Government could do.

I am glad to see the Minister of Railways in his seat on this occasion, because the remarks I have to make apply more particularly to his department. I know of nothing that the Government could do that would assist the fishing industry more than to take over the branch lines that are feeders for the Intercolonial railway and operate them as they should be operated. That would be a great boon to the fishing industry. Let me illustrate what I mean. On the Caraquet railway four or five weeks ago some eight or ten boxes of frozen fish were sent by the Dominion Express from Shippigan to Montreal. That railway took about four days to carry the fish from Shippigan to Bathurst, a distance of less than 100 miles. By the time the fish arrived in Montreal they had deteriorated and were practically of no value. The operation of that railway has caused the loss of a considerable amount of fish. Last March several carloads of frozen fish were sold to Montreal, Toronto, and American markets. The railway was blocked with snow at the time, but the shipper hoped that the line would soon be cleared and that he would be able to get a refrigerator car in which to ship the fish. Day after day passed and no car came. At last the weather commenced to get warm, and then the fish could not be marketed. The goods are still in the freezer because the railway could not place a car at the shipper's disposal. The Government could give no greater encouragement to the fishing industry than by seeing that the feeders to the trunk line are properly managed. I want to congratulate the Minister of Railways for assenting to the proposition that the Government railways should come under the Railway Commission; that would be a boon to the fishing industry. At present the branch lines are constructed under provincial charter, but I hope the Minister of Railways will soon announce that he is going to take over and operate the branch lines and feeders in the interests of the fishing industry and of the people in the territory which they serve.

Mr. PUGSLEY: I think that was promised six years ago.

Mr. LOGGIE: It has been promised for a long time. I said to some of the subordinates of the railway a short time ago that it takes two men to make a bargain and I suppose that one of the reasons why these lines have not been taken over is because they have been unable to come to an agreement as to price. The line is constructed of light rails, and small engines are used. The equipment is not able to cope with the rough weather experienced in the winter season, and it is alleged that the Government would have to rebuild the road. We are talking about spending money in the interests of the fisheries.

Mr. McKENZIE: Is the whole of that road in New Brunswick.

Mr. LOGGIE: The whole of it is in Gloucester county.

Mr. McKENZIE: And the Minister of Marine does not look after it.

Mr. LOGGIE: When the warm weather comes we cannot sell frozen fish in any market practically. There are exceptions to that; for example, in the United Kingdom, in the month of August, when their salmon fishing is over, they will use our frozen fish. There is quite a demand for our Atlantic sea salmon in England in the month of August, but, as a rule, you cannot market frozen fish where fresh fish are available, and therefore it is in the interests of the industry that facilities should be provided for placing the goods on the market at the proper season.

I just wish to say a word or two regarding the lobster fishing industry. The present season is some three weeks late. Weather conditions on the Atlantic coast have been

such that the season that should have opened about the 5th of May did not open until about the 25th of May. The season properly opens on the 25th of April and packers get to work about the 5th of May. On account of the bad weather this season, which delayed them until the 20th of May, they will probably have a very short pack. I have always been opposed to extending the season, but in the interests of increased production I think the minister might well consider extending the season this year, when the matter is brought before him in the regular way. I have frequently told the minister that after the packing season closes a considerable amount of pilfering goes on. I have pointed out that to him year after year, and he has always replied that his officers say that it is not going on. I want to repeat to-night that it is going on. Within the last few days, when I was home, I was told that these men get a few traps and hardly use them at all during the season, but keep them for pilfering after the season has closed, when the lobsters are more plentiful and can be caught at considerably less expense. If the minister cannot stop illegal fishing after the 1st of July then he ought to let everybody fish. Close fishing down for a month and then let everybody have the same chance. It is unfair to allow these men to engage in illegal fishing all along the coast, and it seems to be increasing every year. A market is found for the goods if there is any demand for them, although I have no doubt that many exporters would prefer to have nothing to do with them. But once the goods are packed they find a market. I am not prepared to say just how that is done, but I told the minister privately last year how I thought it could be done. If the minister will see that the close season for packing lobsters is observed, I think he may be able to maintain the industry, but if some men are to be allowed to pack while others cannot, I say let him change the season; let us all pack for two or three weeks in the fall. The minister ought to put it on a business basis, and give those who have a large amount of money invested the same chance as those who fish for lobsters out of season.

I do not know that I need take up the time of the House any longer. I have talked along these lines on former occasions, and have perhaps referred to-night to one or two matters that I did not mention before. But the field is a great one. The possibilities of our fisheries are vast, and it behooves us to take care of the industry. It is true that the deep sea fisheries are not so much in danger as the coast fisheries. There are now being introduced in the waters of the St. Lawrence steam trawlers. What effect that will have on the fisheries, of course, I do not pretend to foretell. We always have felt that it was dangerous to have the trawlers come within a certain distance of our coast. But they do it in the North Sea, and many of these vessels come from Gloucester and Boston on our own coast, and so I suppose it is only fair that the same should be allowed from Canadian ports. I know that the industry in that line has been increased and, I believe, successfully. One argument in favour of the trawling system is that the operator is sure of a catch, whereas if you go out with hand lines or trawling with hooks, there is great risk from the weather. This means that the supply thus secured is uneven; sometimes there is too great a supply of fish, and sometimes none at all. With the trawlers the market can be supplied more regularly. Perhaps it is not out of place that they should be allowed.

Another industry that, I think, might possibly be developed to some extent, is the herring industry. If the minister would try to facilitate the drifting for herrings at certain seasons of the year and in certain waters, the results would be beneficial. It is alleged that there is a small herring, fat and suitable for the market in the months of July and August. I am not informed on this subject myself, but I have understood that traps are allowed for herring all the summer season on the Prince Edward Island coast. The traps are put out in the spring and kept out until the fall, a nominal fee of $15 being charged. But in some sections there seems to be objection to these traps. I do not say that they should be allowed in the rivers, but I do not see why they should not be allowed in the outside coast. Certainly I cannot understand why there should be objection to them in other places, when they are allowed on the shores of Prince Edward Island.

I was very glad to hear the minister's address, and I have taken the opportunity to mention a few points in that address to which I take exception. I hope the subject of express facilities will be taken charge of by the minister, and that he will not say to the House again that these facilities are not needed. I know from personal experience that the recommendation on this subject is the most important made by the Marine and Fisheries Committee.

Mr. ONESIPHORE TURGEON (Gloucester, N.B.): I had not intended to take

part in this debate, but some remarks made by the hon. member for Northumberland (Mr. Loggie) force me to say a few words. First, and more particularly, I wish to speak of the lobster fishery. The Minister of Marine and Fisheries no doubt will remember that my hon. friend (Mr. Loggie) and I have not always agreed as to the close season, nor as to the size of fish to be taken. I see that my hon. friend is coming to the ideas I expressed some years ago, and I take advantage of that fact to urge upon the minister still more strongly if possible the importance of the points for which I have contended. I have always objected to the extension of lobster fishing into July, and that for two reasons. In the first place, it tends to prevent the reproduction of the lobsters, and in the second place the fish caught in July are not of the good quality which Canada is expected to give to the world.

Mr. PUGSLEY: What about the regulation size?

Mr. TURGEON: It is too small. I have always asked that the minimum size be not less than nine and a half or ten inches.

Mr. LOGGIE: There is no limit at all in our waters.

Mr. PUGSLEY: I have understood that in Nova Scotia the limit was three inches.

Mr. HAZEN: There is no limit, not on the south shore.

Mr. TURGEON: I have always contended that the size should not be less than nine and a half or ten inches, the same that is put upon fresh lobsters to reach Boston and New York. On the other side of Nova Scotia, where there is no object in taking fish of a smaller size, because they have to go to that market and will not be received if of less size than the regulation calls for, they get fish of nine and a half to ten inches, just as we have been getting them of seven inches for the last fifty years.

I believe in limiting the catching of lobsters to the large fish, and I believe that there should be an open season in the fall. This year, the season has been backward for fishing, as for everything else, and so the lobster season in our district will hardly cover more than a month. I admit that my hon. friend (Mr. Loggie) who is one of the largest dealers, perhaps the largest dealer, in the Maritime Provinces, is in danger of having his profits curtailed, nevertheless, I believe in sticking closely to the fishing season. But I have always advocated, as he knows, that lobster fishing should be permitted in the fall, say from the 15th or 20th of August until the latest date when it can be carried on. I have always said that the reason why the packers were opposed to this was that when they closed down after the spring season they did not want to resume. But I have always maintained that it would be to their advantage to have no extension of the spring season, but to allow fishing in the fall. More fish would probably be taken in the fall season than are secured now for the May and June pack. It is said that fishing in the fall would be precarious because of the storms in September and October. But we are more apt to have storms even in June on our shore, and more severe storms, than in the early months in the fall. To allow fishing in September will be a compensation for those packers who may not have been able to secure the quantity they calculated upon, and it would also make it unnecessary in many cases to carry over for another year large quantities of cans and boxes.

I am very glad that hon. members supporting the Minister of Marine and Fisheries have called attention to the needs of the fishing industry. There are many ways in which that industry can be helped. We are not asking for a bonus, but we do ask for shipping facilities, particularly on the railways that carry our fish to the Canadian market, and also in the improvement of harbours, wharves and breakwaters, so that deep-sea fishing may be increased along our shores, especially in these years when our fish are required for Great Britain and the allied nations.

Mr. G. W. KYTE (Richmond): Mr. Speaker, I would ask the indulgence of the House for a moment while I offer one or two observations with respect to the subject under discussion. No doubt the hon. member for Digby (Mr. Jameson) presented the amendment which he has made to the motion that the House resolve itself into Committee of Supply for the purpose of calling the attention of Parliament to the necessity for some further, and more vigorous action, on the part of the Government towards the development of the fishing industry throughout Canada. The object of his amendment is one that is to be commended and anything that can be done, or any discussion that is called for by such action on his part that will result in more remunerative employment and wider markets for our fishermen ought to be commended and supported by the members on both sides of this House.

We well remember that in 1911 the issue upon which the election was decided was that of reciprocity. Commissioners representing this country negotiated an agreement with the Government of the United States which resulted in opening to the products of Canadian farmers the large and remunerative markets of the United States. While that agreement was defeated in the election of 1911, it is within the knowledge of this House that quite recently one part of the reciprocity arrangement was put into operation by Order in Council passed by this Government which opened the markets of the United States to the products of the Canadian farmers in the West. But, that market is still closed to the products of the Canadian fisheries. Having regard to the importance of opening the United States market at this particular time to one great branch of our industry, I think it might quite logically follow that the Government should have taken some steps to have opened a free market in the United States for the fisheries as well. The reciprocity agreement provided for the free entry into the United States of the products of the farm and the products of the fisheries and it would thus have conferred a distinct benefit upon the fishermen of the Maritime Provinces.

There is another item which enters into the fishing industry and which also came in for favourable treatment in that agreement. I refer to the article of salt. One of the greatest hindrances to the successful prosecution of the fisheries of the Maritime Provinces during the present season is the difficulty the fishermen have in obtaining an adequate supply of salt. Owing to the want of tonnage it is extremely difficult to obtain salt from the markets which heretofore have supplied it to our fishermen. Under the reciprocity agreement salt was to have been admitted free to the fishermen of the Maritime Provinces but that agreement having been defeated, our fishermen are still under the necessity of paying a duty of 7½ cents a hundred pounds upon all salt imported. No greater stimulus could be given our fishermen by the present Government than to take immediate steps to remove the duty on salt. A very serious situation confronts our fishermen. The price of salt has increased fourfold during the last three years and I do know that many fishing communities in Nova Scotia have decided to abandon the salt fishery this year owing to the extreme difficulty of obtaining the salt that they require in the prosecution of their industry.

There is another matter that was to have been dealt with by the reciprocity agreement and that was the amendment of the regulation known as the modus vivendi by removing the license fee which heretofore had been imposed upon American fishermen coming into our ports for the purpose of purchasing bait, taking on supplies or shipping their fish to their own markets. A license fee of $1.50 per ton is exacted upon all American fishing vessels coming into our ports for the purpose which I have mentioned. The reciprocity agreement contained the following clause:

> The Government of Canada agrees that, until otherwise determined by them, the licenses hitherto issued to United States fishing vessels under the provisions of Section 3 of Chapter 47 of the Revised Statutes of Canada, granting to such vessels certain privileges on the Atlantic coast of Canada, shall continue to be issued and that the fee to be paid to the Government of Canada for such license by the owner or commander of any such United States vessel shall hereafter be one dollar per annum.

A very large business developed along the coast of Nova Scotia previous to the imposition of this license fee in the supplying of bait to the American fishing vessels and a large trade also was developed by the merchants along the coast in supplying these vessels and their crews. The imposition of this license fee has resulted in these vessels keeping away from our ports. When their outfit is exhausted, instead of coming to the ports of Nova Scotia to refit, in order to avoid the payment of the license fee, they return to their own ports and this large business which could be built up by our merchants on the shores of Nova Scotia is interfered with.

There is another consideration which is very important in respect to this matter. It is well known that the fishing fleet of the United States is largely commanded and manned by Nova Scotia fishermen. These men are obliged to leave their homes along the shores of Nova Scotia in midwinter or early spring and to go to the United States to take their positions as masters or crews of these fishing vessels. They come to the waters of the Maritime Provinces, particularly those of Nova Scotia to prosecute their industry but they are unable to visit their homes for the purpose of transacting any business or of renewing their supplies for the reason that they are prohibited by this license fee. During recent years a very large proportion of the American fishing fleet is made up of what is known as auxiliary fishing boats. This license fee under

the modus vivendi does not apply to fishing vessels of that class so that no share of that part of the fishing business, which has gone to the United States, and which has grown up enormously within the last 15 or 20 years, accrues to the advantage of the people of Nova Scotia.

The object of the resolution which the hon. member for Digby has introduced is to find some means of increasing the product of the fisheries of Canada. There is no better way in which we can enlarge the output of the fisheries than by seeking freer and larger markets. Whatever may be said to the contrary by hon. gentlemen opposite, the fact remains that to a great extent our best and largest market is that of the United States. The abrogation of the treaty of 1818 has been asked for time and again by hon. members sitting on this side of the House. That is still a very live question and I for my part cannot see how any advantage can possibly accrue to the fishing industry of Canada by preserving the terms of the treaty or by preserving the modification of the treaty as embodied in the terms of the modus vivendi. I stated a moment ago that American vessels are not permitted to enter our ports for the purpose of obtaining supplies or prosecuting the fishery to the advantage of the people of Nova Scotia. But a different condition of affairs exists on the coasts of British Columbia.

At Prince Rupert there is a large fishing industry which has been developed in recent years, and which is carried on largely by fishing vessels that come up from the port of Seattle. These fishermen are allowed to fish off the waters of British Columbia. They can come into Prince Rupert and ship their fish to the United States market without paying the license fee which prevents vessels coming into the ports of Nova Scotia. I cannot understand why that distinction is made, and why privileges are granted to the fishing industry of British Columbia that are denied to us in Nova Scotia. The fishing industry would be very largely increased in Nova Scotia if a change were made in these regulations and the license fee entirely cancelled and the right given to fishing vessels of all nations to come into our ports to buy supplies. There is a very large demand for fish now in the British markets owing to the curtailment of fishing operations in the North sea. I am informed that buyers from the British markets go over to the United States and contract for the purchase of large quantities of fish which are caught by American vessels and taken to American seaports. We do not find that in the province of Nova Scotia we are sharing the advantage of this large expansion in the British consumption of fish from this side of the ocean as a result of the war. I am informed that the Department of Marine and Fisheries have been considering the question of the removal of this license fee under the modus vivendi with the authorities at Washington. I do not know whether or not that is correct. The Minister of Marine and Fisheries will no doubt be good enough to give any information to the House that he can possibly give at present, but I for one would be very glad to learn, in the interests of the fishing communities of Nova Scotia, that some step was being taken by the Government to abrogate the treaty of 1818, and to remove from the statute books the modus vivendi which prohibits American fishing vessels from coming into the ports of Nova Scotia. A very large trade would be developed in Nova Scotia through our merchants doing business at the seaports if they were permitted to supply freely to these fishermen all goods necessary for them in prosecuting their fishing voyages. Not only are our fishermen prohibited from getting a very large market for fresh fish by supplying these fishermen with bait, but our merchants are deprived of the opportunity of furnishing other supplies to vessels, such as rubber boots, clothing, oilskins and underwear. This prohibition results, as I said, in diverting the trade which should belong to the merchants of Nova Scotia to the supply houses in Massachussetts, and at the same time it has a very deterrent effect upon the development of our fisheries in the Maritime Provinces.

Mr. ARTHUR B. COPP (Westmorland): I rise to discuss this question, which is of great importance to the fisheries in my own particular locality. I do not rise for the purpose of supporting the motion of my hon. friend particularly, because I do not want to support it in either of the two cases in which it may have been offered to this House. If it was a new policy that was intended to be adopted by the hon. members opposite with regard to having a new portfolio in the Cabinet we on this side would have little to say in regard to such a policy. But if it is a matter of voting want of confidence in the Minister of Marine and Fisheries I would not want to subscribe to it unless the hon. gentleman coupled the whole Government with the motion. I

would not want him to single out my friend from New Brunswick in a vote of want of confidence in that hon. gentleman. If it included the whole Government I might be induced, in some manner, to consider the matter at least more carefully.

The hon. member for Digby (Mr. Jameson) has brought to the attention of this House an important matter in regard to the fishing industry of our country. It has been discussed very largely by gentlemen on this side of the House in relation to both the deep sea fisheries and coast fisheries. I was rather surprised during the course of the discussion to-night when I picked up a report recently issued on lobster fishery conservation in Canada by Mr. A. P. Knight. As I am particularly interested in that branch of the fishing industry, in which a large number of fishermen are engaged on the shores of my constituency and of all New Brunswick as well as Nova Scotia, I was astounded to learn that during the last nineteen years the lobster fisheries have decreased a little over 100 per cent. My hon. friends opposite speak of the increase in the value of the fisheries. Is is very easy to have the value increase as the price goes up, but the quantity is decreasing all the time, according to this report, and while I realized that there had been a decrease in the lobster catch in Canada, I had no idea that it had decreased to such an alarming extent as it has. My hon. friend from Digby, in discussing this matter this evening, made the statement that there was a good deal of dry rot, or that the Government or the department had got into a rut and that it was time it was taken out of this rut and put on a more businesslike basis, and more attention given to the different matters put before the department. I do not know whether that is a correct expression, whether the department is in a rut or what is the reason, but, during the two or three years that I have had the honour to have a seat in this House, I have looked into fishery matters to some extent and read the reports that have been made from time to time. I have read the reports made in regard to the fishing industry of this country back for years and years, and the recommendations that have been made. Things of that nature have been brought before the people, but it does seem to me for some reason or other, whoever may be to blame, whether it is the minister over the department or his officials under him or whether it was because there was no one who had the information or knowledge, or whether the industry is something in a class by itself calling for new scientific research, there surely seems to have been a very great deal of neglect if I may use that term, in regard to the protecting of the lobster industry of this country. I notice that some years ago, twenty years ago for all I know, the lobster hatcheries were established in this country. There had been hatcheries for different kinds of fish all over Canada, and the lobster hatchery was introduced. I know that in my county we looked forward with great anticipation of the lobster hatchery being a good investment, and we hoped that the lobster catch would be very largely increased because of the hatcheries. I see by this very latest report by Mr. Knight, who is apparently an authority on this question, that instead of the lobster hatchery having been a benefit it is a menace to the lobster industry, and he lays down the principle that the lobster hatchery must be done away with and some other arrangement or scheme entered into. I have not been able to read the whole of this very interesting report and the tables set out in it. He says:

> What is to be done? It is useless to look to the hatcheries as a means of replenishing our depleted waters. Rather are they agencies of destruction than of conservation.

That is a statement by one who has made a study of this matter very recently, and if that is so, surely we have lost a great deal of time besides wasting a great deal of money in the effort to replenish our lobster fisheries. According to the report made by Mr. Knight, the lobster catch has been decreasing year by year, and if some steps are not taken to prevent it, sooner or later the industry will disappear altogether.

Mr. HAZEN: I think the member for Northumberland could assure my hon. friend that in the straits of Northumberland, in the vicinity of Point Sappin, there was the largest catch of lobsters last year that had been obtained in forty years.

Mr. COPP: Would that in any way disprove the statements made in the report of this official appointed by my hon. friend?

Mr. HAZEN: It is a fact that the catch was so large that they could not handle the fish in the factories.

Mr. COPP: Is that because of the lobster hatchery?

Mr. HAZEN: I am not saying why; I am simply stating the facts.

Mr. COPP: I am not speaking in a critical way; I am simply seeking information. In a report on the subject, the inspector of fisheries in that portion of the province, Mr. Morrison, says that the lobster industry, which had fallen off to an alarming extent during the previous two years, was showing signs of improvement. But while that is true with regard to lobsters last year, there has been a falling off of $94,469 in the value of the herring catch. There has been a falling off also in the mackerel catch, and the smelt catch has shown a falling off of $122,000. Cod also has shown a decrease.

I wish to refer to a matter that is very dear to my heart, and that is the shad fishery. I do not think they have the shad fishery in other parts of Canada as we have it in the province of New Brunswick. A few years ago it was a valuable industry along the St. John, Kennebecasis, and Petitcodiac rivers, the Bay of Fundy, the Dorchester and Sackville rivers, and, I believe, in your own constituency, Mr. Speaker. These districts were teeming with shad, which could be bought a few years ago at $3.50 a half barrel. Now, however, it is difficult to get shad at all, the cost being as high as $15 a half barrel. It seems to me that this valuable fishery could be saved to the people of that locality. Some floating shad hatcheries have been established on the St. John river, but something has been left undone that should have been done to keep up the fisheries along our rivers. I sincerely trust that the minister having heard the remarks of the member for Digby, will get out of the rut and, with his officers, do something to make our supply of fish as plentiful as it was in the past. If he will promise to take action, we will not vote for the motion of want of confidence, in which case he will be allowed a few weeks to try to do something in the interest of the people.

Mr. SPEAKER: The hon. member for Digby (Mr. Jameson) has been called from the Chamber, and before leaving he intimated to me his desire to withdraw the amendment. Is it the pleasure of the House that the hon. member have leave to withdraw his amendment?

Amendment (Mr. Jameson) withdrawn.

Motion agreed to, and the House went into Committee of Supply, Mr. Blain in the Chair.

Progress reported.

[Mr. Hazen.]

On the motion of Hon. J. D. Hazen the House adjourned at 10.55 p.m.

Wednesday, June 6, 1917.

The House met at Three o'clock, the Speaker in the Chair.

RAILWAY COMMITTEE.

Mr. J. E. Armstrong presented the report of The Special Committee to whom was referred Bill No. 13, to consolidate and amend the Railway Act, as follows:

Your Committee have under consideration Bill No. 13, an Act to consolidate and amend the Railway Act, and have agreed to report the same with amendments.

Your committee also submit herewith their minutes of proceedings and evidence, and recommend that the same be referred to the Printing Committee with a view to having the whole printed in blue book form and as an appendix to the Journals of the House.

LIBRARY OF PARLIAMENT.

Sir Robert Borden moved:

That the recommendation of His Honour the Speaker, laid on the table of the House on the 14th instant, respecting the appointment of Mr. Herbert Charles Stock to the position of messenger in the Library of Parliament, be concurred in.

Motion agreed to.

PRINTING OF PARLIAMENT.

Sir Robert Borden moved:

That sessional paper No. 183, laid on the Table of the House on the first of June, instant, comprising reports from the several departments of the Government in respect to printing, etc., pursuant to a resolution of the House of the 18th May, 1916, be referred to the Joint Committee of both Houses on the Printing of Parliament.

Sir WILFRID LAURIER: Yesterday I asked that this motion should stand in order that I might have occasion to refer to it later. I have looked into it and it is all right.

Motion agreed to.

REPORTS AND PAPERS.

Report concerning the production, cost, price, and system of distribution of sugar; a like report concerning anthracite coal.—Mr. Crothers.

QUESTIONS.

(Questions answered orally are indicated by asterisks.)

THE ROSS RIFLE.

Mr. TOBIN:

Referring to the statement of the Hon. Member for Victoria-Haliburton on page 439 of Hansard, February the 2nd, as follows:—

"Mr. Carvell: Would the right hon. gentleman let me know whether he found out during the dinner hour who it was that ordered or was responsible for the reduction of the Ross rifle from '462 to '457 in 1910?"

"Sir Robert Borden: I stated at the time that my information did not come from the Department of Militia and Defence, but that it was reliable. I have asked the Deputy Minister to produce absolutely accurate information on that point, which I shall give to the Committee."

"Sir Sam Hughes: I understand that it was on the recommendation of Colonel Harkon, the expert adviser to the Militia Department under Sir Frederick Borden. The Standing Committee on Small Arms was never consulted."

1. Was this statement of the member for Victoria-Haliburton, in regard to the reduction of the chamber of the Ross rifle, from .462 to .457 in 1910?

2. Is there any report in the Militia Department from Colonel Harkon recommending the change in the Ross rifle referred to?

Sir EDWARD KEMP:

1. It is regretted that the Department of Militia and Defence is unable to answer this query.

2. No.

HIGH COST OF LIVING.

Mr. LEMIEUX:

1. Has the Government received a resolution from the Trades and Labour Council of Montreal, adopted on or about May 17, in which the said Trades and Labour Council referred to the high cost of living, and alleging the same was increasing to alarming proportions and also alleging that profits from such sources were not in the interest of the Dominion and recommending severe measures be adopted without delay to prevent the same, and referring to an Order in Council passed with a view of preventing dishonest speculation and alleging that efforts to carry out such Order in Council have proved ineffective owing to legal technicalities and delays in investigation and from other causes, and requested the repeal of such Order in Council and to enact legislation which will more clearly and effectively carry out the intentions of the Government.

2. If so, what measures does the Government intend to adopt in the premises?

Mr. CROTHERS: 1. No. That answers the second question.

GOVERNMENT WHARF AT GASCONS.

Mr. MARCIL:

1. Is it true that the Government wharf at Gascons, Quebec, is so damaged that it cannot be used by steamers or sealing craft?

2. If so, (a) what is the extent of the damage (b) when and how was it caused ?

3. Will said damage be repaired?

4. If so, when?

Mr. ROGERS:

1. A portion was carried away and only small vessels can use the wharf.

2. (a) 210 feet long by 40 feet wide is damaged; (b) by a storm on 16th December, 1916.

3 and 4. This information will be given when the Supplementary Estimates are laid before Parliament.

INSTRUCTIONS TO GENERAL LESSARD.

Mr. LEMIEUX:

1. At what date did General Lessard receive from the Department of Militia authority for recruiting in the Province of Quebec?

2. What was the nature of his instructions?

Sir EDWARD KEMP:

1. 29th March, 1917.

2. He was invited to assist Lieut.-Colonel The Honourable P. E. Blondin in recruiting in the province of Quebec, principally among the French-Canadian population.

EXPERIMENTAL FARMS.

Mr. EDWARDS:

1. How many experimental farms are there in Canada, and where and when was each established?

2. How many experimental farm stations are there in Canada, and where and when was each established?

Mr. BURRELL:

1. Five, namely: Central Experimental Farm, established at Ottawa, 1887; Experimental Farm for Nova Scotia, established at Nappan, 1887; Experimental Farm for Manitoba, established at Brandon, 1888; Experimental Farm for British Columbia, established at Agassiz, 1888; Experimental Farm for Saskatchewan, established at Indian Head, 1888.

2. Sixteen, namely: Experimental Station for Prince Edward Island, established at Charlottetown, 1909; Experimental Station for the Annapolis and Cornwallis Valleys, established at Kentville, N.S., 1910; Experimental Station for New Brunswick, established at Fredericton, 1912; Experimental Station for Eastern Quebec, established at Ste. Anne de la Pocatiere, 1910; Experimental Station for Central Quebec, established at Cap Rouge, 1911; Experimental Station for the Eastern Townships, established at Lennoxville, Que., 1913; Experimental Station for Northern Quebec, established at Spirit Lake, 1916; Experimental Station for Northern Ontario, established at Kapuskasing, 1916; Experimental Station for Southern Manitoba, established at Morden, 1915; Experimental Station for Central Saskatchewan, established at Rosthern, 1900; Experimental Station for Northwestern Saskatchewan, established at Scott, 1910; Experimental Station for Southern Alberta, established at Lethbridge, 1906; Experimental Station for Central Alberta, established at Lacombe, 1907; Experimental Station for the Okanagan Valley, establish-

ed at Summerland, B.C., 1915; Experimental Station for the Upper Columbia Valley, established at Invermere, B.C., 1911; Experimental Station for Vancouver Island, established at Sidney, 1912; Tobacco Experiment Station, established at Farnham, P.Q., 1912; Tobacco Experiment Station, established at St. Jacques de l'Achigan, 1909; Tobacco Experiment Station, established at Harrow, Ont., 1909.

GLANDERED HORSES.

Mr. EDWARDS:

1. What is the compensation allowed for destruction of horses afflicted with glanders?
2. When was the compensation fixed at the present amount and what was it formerly?

Mr. BURRELL:

1. Two-thirds the valuation of the horse destroyed which must not exceed in the case of a grade animal $200 and in the case of a pure bred animal $500.

2. On the 15th July, 1913. Previous to that date the compensation allowed was two-thirds of the valuation, which might not exceed in the case of a grade animal $150 and in the case of a pure bred animal $300.

HONOURABLE ROBERT ROGERS.

ROYAL COMMISSION APPOINTED.

Right Hon. Sir ROBERT BORDEN (Prime Minister): Mr. Speaker, on the 28th day of May, the hon. the Minister of Public Works (Mr. Rogers) addressed to me a letter which I desire to read to the House and which is as follows——

Sir SAM HUGHES: Might I respectfully ask the right hon. the Prime Minister to speak a little louder? We cannot hear one word back here.

Sir ROBERT BORDEN: I had said that on the 28th day of May the hon. the Minister of Public Works addressed to me a letter which I desire to read to the House and which is as follows:

Office of the Minister of Public Works.
Ottawa, May 28, 1917.

My dear Sir Robert:—

Some time in the summer of nineteen sixteen, the present Government of Manitoba appointed a Commissioner, Mr. A. C. Galt, to make investigation and to report to them with regard to the construction of the Manitoba Agricultural College. This work was undertaken and a very small proportion done while I was Minister of Public Works for that province. Mr. Galt has made two reports—one some time last January and the other two or three days ago. In these reports he has chosen to reflect on my conduct as such minister, and it is only as regards those portions of the reports in which he so reflects that I feel justified in drawing the matter to your attention.

[Mr. Burrell.]

While making his investigation on the subjects covered by his first report, Mr. Galt telegraphed me to Ottawa on September 12 last, informing me of certain evidence which he evidently regarded as requiring answer on my part. I at once went to Winnipeg and appeared before him and gave full explanation of the subject covered by his telegram and answered all questions put to me. It was manifest to me then from Mr. Galt's demeanour and remarks that he purposed sparing no effort and rejecting no means, however unfair, of doing me all the injury in his power. I therefore, from that point forward, took little or no interest in the proceedings of his Commission, being absolutely certain not only that my own conduct in the premises had been straightforward and in the public interest, but that, though it would be a waste of time to make any attempt to influence the purpose of Mr. Commissioner Galt, there would be no difficulty later in exposing and establishing before any fair and competent tribunal both the true facts of the case and the malice of this commissioner. I did, however, subsequently inform Mr. Galt that I was prepared, though in Ottawa, to answer any summons in the same way as if it were served on me in Manitoba.

As regards the proceedings subsequent to the first report, and as regards the subjects covered by the second report, in respect to which Mr. Galt is pleased to reflect on my public conduct, you will be surprised to learn—I say this knowing that you are not acquainted with Mr. Galt—that I was never informed by the Commissioner, directly or indirectly, of any statements in evidence affecting me in the slightest degree, nor was I offered any opportunity whatever of making explanation or defence. It is quite true that no explanation or defence, however complete or however substantiated, would have affected in the least Mr. Galt's determination, but this fact cannot be offered as an excuse on his part for abandoning and indeed prostituting the most elementary principle of British justice—that it is a fact, however, does, I think, fully establish the predetermination and malice of the Commissioner.

As soon as I was informed of the contents of each report, I made full and public denial of every allegation contained in them, affecting myself. This denial I now reaffirm.

I believe I am entitled to a full and fair investigation by a tribunal of high standing of all matters contained in these reports, reflecting in any way on my public conduct. Though I have not yet been able to obtain a copy of the evidence, I cannot believe that any evidence could have been given substantiating the reports so far as they allege breach of duty on my part. I ask that such a tribunal be appointed in order that it may be known whether there was such evidence, and if so, to make full and complete inquiry and report as to whether, if any such evidence was given, the same was true.

Yours sincerely,
R. Rogers.

To that letter I gave the following reply on the 30th day of May:

Ottawa, 30th May, 1917.

Dear Mr. Rogers,

I beg to acknowledge your letter of the 28th instant. I have taken into consideration the action which you request with respect to the

reflections upon your conduct as a member of the Provincial Executive of Manitoba, which are set forth in the reports of Commissioner Galt. I shall bring your request to the attention of Council forthwith so that your representations and the course which should be taken with regard to the matter may be considered by all the members of the Government.

Yours faithfully,

The Honourable
Robert Rogers, M.P.,
Minister of Public Works,
Ottawa.

The subject was taken up and considered in council, with the result that it was referred to the Minister of Justice, who yesterday presented a report to council upon which an Order in Council has been passed and approved by His Excellency. I shall now read that Order in Council:

Certified copy of a Report of the Committee of the Privy Council, approved by His Excellency the Governor General on the 6th June, 1917.

The Committee of the Privy Council have had before them a Report dated 4th June, 1917, from the Minister of Justice, stating that the Honourable Mr. Justice Galt of Manitoba, who was appointed a Commissioner by the Lieutenant Governor of Manitoba on 15th July, 1916, to investigate and report upon certain matters of concern to the local Government, has, as the Minister of Justice is informed, in pursuance of his said Commission made two reports, the first dated 26th January last, and the second, dated 25th May, by which reports the Commissioner makes certain findings or observations reflecting upon the honour or integrity of the Honourable Robert Rogers, presently Minister of Public Works of Canada, in connection with the said matters above referred to and his actions in regard thereto, at a time when he was Minister of Public Works of the said Province of Manitoba, and that Mr. Rogers avers that all such findings and observations and the said reports in so far as they in anywise affect him prejudicially are unjustified in fact and not upheld or established by the evidence or facts in proof before the Commissioner.

Mr. Rogers also complains of lack of notice, and that as to some of the findings in question he was not afforded an opportunity to give or present evidence before the Commissioner, and moreover he challenges the impartiality and intent of the Commissioner upon the matters under consideration so far as they affect Mr. Rogers. In these circumstances Mr. Rogers asks for a full and fair investigation by a tribunal of high standing of all matters contained in the aforesaid reports reflecting in any way upon his public conduct.

The minister being of the opinion that the situation as thus presented invites further consideration recommends that the Honourable Sir Ezekiel McLeod, Chief Justice of the Supreme Court of New Brunswick, and the Honourable Louis Tellier, a retired Judge of the Superior Court of the Province of Quebec, be appointed Commissioners under Part 1 of the Inquiries Act, Revised Statutes of Canada, 1916, Chapter 104, for the purpose of reviewing and considering the evidence taken before the said Commissioner Galt in the execution of his commission aforesaid, and his said reports and findings thereon, and of reporting for the information of Your Excellency in Council whether, there was evidence before the said Commissioner Galt to sustain or support the findings of said Commissioner as set forth in his said reports in so far as they reflect upon or prejudicially affect the honour or integrity of Mr. Rogers or the honesty of his dealings or transactions, the said hereby appointed Commissioners to have power should they find that there is any such evidence, to make such further inquiry and take such further and additional evidence as may to them appear necessary for the purpose of enabling them to determine and report upon the truth or falsity of the evidence so by them found, any further evidence so taken and the determination of said hereby named Commissioners thereon to be also reported; and that the said Honourable Sir Ezekiel McLeod and Honourable Louis Tellier as such Commissioners shall moreover have all the powers in the execution of their said Commission which are mentioned, enumerated or provided for by the said Part 1 of the Inquiries Act and the Act amending the same of 2 George V, Chapter 28, intituled "An Act to amend the Inquiries Act".

The Committee concur in the foregoing and submit the same for approval.

Rodolphe Boudreau,
Clerk of the Privy Council.

There is nothing further to add except that the Minister of Public Works (Mr. Rogers) has requested of me that, pending the investigation, he shall be relieved of all administrative duties in connection with the Department of Public Works, and that the administration of the department shall be taken over by myself or by some other minister, and I have acceded to that request.

Right hon. Sir WILFRID LAURIER: By your leave, Mr. Speaker, I think the correspondence and the Order in Council which has just been submitted to the House require some comments on my part. I would say that the letter addressed by the hon. the Minister of Public Works (Mr. Rogers) to the Prime Minister is absolutely derogatory to the honour of the bench of this country.

Some hon. MEMBERS: Hear, hear.

Sir WILFRID LAURIER: The letter refers to Mr. Justice Galt, not as Mr. Justice Galt but as "Mr. Galt." Mr. Justice Galt acted, not in his capacity as a judge, but he was selected—as the hon. gentlemen who have just been named in the Order in Council, Sir Ezekiel McLeod and Hon. Louis Tellier, have been selected—on account of his judicial capacity. It is to be remembered, Sir, and it cannot be forgotten on this occasion, that the complaint of the Minister of Public Works of unfairness by Mr. Justice Galt to him arose largely, if not altogether, and I would say altogether, from the insult which was poured upon the

head of Mr. Justice Galt by the Minister of Public Works. The Minister of Public Works was called upon to give evidence before the commissioner. He had the right to be summoned, and he appeared. And, Sir, in the public press and in his evidence to Mr. Justice Galt's face he called him a grafter.

Mr. BEST: Hear, hear.

Sir WILFRID LAURIER: For what reason was he called a grafter? Because he accepted duties similar to those which have just been delegated to Sir Ezekiel McLeod and Hon. Louis Tellier, justices of the High Court. If Mr. Justice Galt was a grafter—which I resent, I do not know Mr. Justice Galt, I never met him in my life; he is a judge of the bench, that is all I know—but if he can be called a grafter for having accepted the duties which he discharged, Sir Ezekiel McLeod and Hon. Louis Tellier can also be called grafters equally; there is no difference. Now, Sir, the hon. Minister of Public Works asks that gentlemen of high standing shall be appointed to make a further inquiry. The tribunal which is being constituted by the Government to investigate this matter is of no higher or of no lower standing than the commission which was presided over by Mr. Justice Galt; it is exactly the same. I do not know Mr. Justice Galt, but I understand that he is a judge of integrity, in good standing in his profession, and that his honour has never before been impugned. Before he was appointed to the Bench he was not active in either political party. Under these circumstances, if any new tribunal is to try the Minister of Public Works, it should be a committee of this House. There are two methods of making public investigations, either by a committee of this House, the High Court of Parliament, or by members of the Bench, who are selected because of their legal standing and because they are supposed, by the very character of their office, to be above reproach. If the report is to be condemned because the commission was presided over by a judge of the Supreme Court, the new inquiry should not be carried out by a commission of the same kind.

Sir ROBERT BORDEN: I am not disposed to discuss the character or qualifications of Mr. Justice Galt on this or any other occasion, unless a necessity which I cannot now foresee should arise. As I understand it, the judges who are to perform this duty are not to accept fee or honorarium for it. My right hon. friend challenges the action we have taken and challenges the reflections which have been made upon Mr. Justice Galt in the letter written to me from the Minister of Public Works. I should like to remind him that on a certain occasion one of his colleagues who sits beside him used infinitely stronger language, if my memory is correct, with regard to Mr. Justice Landry of the Supreme Court of New Brunswick, and he did so without any reproof from my right hon. friend. I am perfectly willing to contrast the action which we have taken in this matter with that which my right hon. friend took on that occasion. Findings had been made by a commission of which Mr. Justice Landry was a member. Those findings reflected seriously upon a member of my right hon. friend's Government. The matter was brought to the attention of Parliament, and it was urged by a motion in this House that such a finding should not be disregarded. My right hon. friend ignored the whole matter and voted down the motion, the precise words of which I have not before me; no consideration to the finding was given by him, and the then Minister of Public Works retained his position in the Government and continued to administer the affairs of his department. It seemed to me, when the matter was brought to my attention by the present Minister of Public Works, that such a course as was on that occasion pursued by my right hon. friend could not be followed or sanctioned with advantage to the public interest. I thought it my duty, therefore, to comply with the request made by the Minister of Public Works and to entrust the examination of this evidence and any further hearing that might be desired, to two members of the Judicial Bench, one of whom is on the Bench at present and the other of whom has retired. Both are absolutely above reproach. I may add that the Minister of Public Works informs me that he is not acquainted with either of these two judges, and that, so far as he knows, he never met either one or the other of them.

PRIVILEGE.

STATEMENT BY HON. ALBERT SEVIGNY.

On the Orders of the Day:

Hon. ALBERT SEVIGNY (Minister of Inland Revenue): Mr. Speaker, I rise to a question of privilege. I see in the morning papers a report which reads as follows:

Ottawa, June 5.—An extraordinary position of affairs was revealed in a return made this

evening in a volume of correspondence between the Sergeant-at-Arms of the House of Commons and Hon. Albert Sevigny, and between the Sergeant-at-Arms and the Justice Department, with regard to a quantity of valuable effects removed from the Speaker's chambers at the House of Commons early in 1916 by Hon. Mr. Sevigny during his tenure of office as Speaker. It appeared that Hon. Mr. Sevigny had removed a number of handsome pictures and works of art—

—which, by the way, is not true.

a Victrola and a quantity of high priced records, with other ornaments and furniture and had them sent to Quebec.

Col. Smith wrote Hon. Mr. Sevigny several times apparently without getting any response. He then wrote a sharp letter to Hon. Mr. Sevigny, pointing out that he must know that these goods should be in the custody of himself as Sergeant-at-Arms, and that he was responsible for them. Yet in face of repeated requests Hon. Mr. Sevigny had continued to retain them, etc.

This article, published in the Montreal Gazette this morning, is absolutely false; there is nothing in the papers which were submitted to the House yesterday to sustain those assertions. The facts are as follows. As everybody knows, the Speaker's Chambers were destroyed by fire last year when I was Speaker of the House of Commons—and, by the way, I may be permitted to say that my monetary losses as a result of the fire amounted to about $1,200. Last year when the House prorogued as there were no quarters for the Speaker, I asked the officers of the House if there would be any objection to sending to Quebec certain effects which were in Ottawa at the disposal of the Speaker of the House of Commons during the recess. No objection was raised at the time by any of the officers of the House, and, accordingly, instructions were given that certain effects be sent to Quebec. A list of those effects was made by the Serjeant-at-Arms, and they were sent to Quebec by the Serjeant-at-Arms. On January 8 of this year, I was invited to join the Cabinet and the next day I had to go to Dorchester for my re-election. I was there until the end of January. When I came back I was sick for several days, and when I came to my office in Ottawa I was very busy with my departmental business. When I was asked for the first time by the Serjeant-at-Arms to send back those effects, I told him, in a letter of which a copy was submitted to the House yesterday, that I would send them as soon as I should be back in Quebec. I wrote a second letter to the Serjeant-at-Arms in which I repeated that. I can tell you, Mr. Speaker, that my intention never was to keep those effects and that they were returned to the Serjeant-at-Arms in perfect order.

ALLEGED COMPULSORY RETIREMENT OF CIVIL SERVANTS.

On the Orders of the Day.

Mr. W. M. GERMAN: I wish to call the attention of the Minister of Customs to an article which appears in an Ottawa paper, as follows:

Windsor, June 5.—Information has been received here by local members of the internal revenue and other branches of the Civil Service to the effect that within a short time—a few weeks at most—the Government will announce a plan for compulsory retirement of all civil servants who have been in the service more than thirty-five years, their places to be filled with returned soldiers who are unfit by reason of wounds and illness from filling their ordinary vocations.

I wish to ask the minister if there is anything in that report, or if such a plan is likely to be carried out?

Mr. REID: There is nothing in it. I never heard of it before.

FINANCIAL ARRANGEMENT BETWEEN BRITISH GOVERNMENT AND CANADIAN PACIFIC RAILWAY.

On motion of Hon. Sir THOMAS WHITE (Minister of Finance), Bill No. 47, to facilitate certain financial arrangements between the Government of the United Kingdom of Great Britain and Ireland and the Canadian Pacific Railway Company, and for other purposes, was read the second time, and the House went into committee thereon, Mr. Blain in the chair.

On the Preamble:

Sir THOMAS WHITE: As I explained upon the introduction of this Bill to the House, its object is to enable the Canadian Pacific Railway Company to lend its credit to the Imperial Treasury by issuing collateral trust bonds payable in currency—

Sir WILFRID LAURIER: In what currency?

Sir THOMAS WHITE: Canadian, United States, or British, against outstanding securities of the company, payable as to principal and interest in sterling, which have been, or which may be, acquired by the Imperial Government. Legislation is necessary because the Canadian Pacific Railway Company will do this to facilitate the financing by the Imperial Treasury and not for its own railway purposes. I am advised that the Canadian Pacific Railway Company has statutory powers to issue

these new securities, if issued for railway purposes, but as the purpose is to facilitate the Imperial financing, it is necessary to obtain legislative authority to issue these collateral trust bonds, which are to be delivered to the Imperial Government in exchange for sterling securities which it has acquired or may acquire on the London market. The transaction is necessitated by reason of the exchange situation to which I have frequently referred in this House. The British Government has been acquiring sterling securities in London. Those sterling securities have in the past been used as collateral to loans which the Imperial Government has been making in New York for the purpose of supplying funds to meet its expenditures in the United States. Among other securities which have been or which will be acquired are the sterling securities of the Canadian Pacific Railway Company, and of certain of the companies whose lines are leased by the Canadian Pacific Railway Company, principally, I may say, the four per cent debenture stock of the Canadian Pacific. The position, therefore, is that the Imperial Government has acquired this stock and other securities. As these securities are payable in sterling, they are not available as collateral or for sale on this side of the Atlantic, and the Imperial treasury has requested the Canadian Pacific Railway Company to issue collateral trust bonds in exchange for these sterling debentures, the collateral trust bonds to be payable in currency so that they may be used for an issue on this side of the Atlantic, or as collateral for such an issue. I have already explained to the House that no such issue is an immediate prospect, and I have stated further—and this has been brought to my knowledge—that although no such loan is in prospect, the Imperial Government has requested the Canadian Pacific Company to proceed with this legislation, in order that, should occasion arise, this power may be available.

Sir WILFRID LAURIER: I do not know that this matter requires any discussion at all. As my hon. friend says, it is a question of exchange. It is rather mysterious to me that the bonds which are to be replaced are sterling bonds. I would have supposed that such bonds were the very best security in the world. Is it the intention that sterling bonds of say £1,000 are to be exchanged for bonds in dollars?

Sir THOMAS WHITE: Yes.

[Sir Thomas White.]

Sir WILFRID LAURIER: That is one of the mysteries of financing that I do not understand.

Sir THOMAS WHITE: My right hon. friend is quite correct in stating that there is no higher form of security than the sterling security, but sterling securities cannot be sold to advantage on this side of the Atlantic.

Mr. MARCIL: I understand that a few days after the Canadian Pacific Railway Company made an announcement in regard to this matter at a meeting of the shareholders, it was stated that the arrangement had fallen through and that the British Government had made other arrangements.

Sir THOMAS WHITE: When the matter was first announced, it was the intention to proceed with a loan in New York for a large amount, I think, two or three hundred million dollars, but on account of the declaration of war by the United States against Germany, it was not deemed expedient to proceed. My hon. friend probably knows that the American Government is now issuing its securities for the purpose of financing Great Britain and the Allies. There is no intention of bringing on, in the near future, any issue of these securities, or any Imperial issue with these securities pledged as collateral. It may not be necessary to do so at all. My hon. friend is right in stating that that was adverted to at the meeting of the shareholders of the Canadian Pacific, but notwithstanding that, as no one can tell what the future will bring forth, and as the sum involved is large, it is deemed advisable that this power should be available in case it might be desired to exercise it.

Mr. MARCIL: I asked the question in order that the minister's explanation might be placed on Hansard.

Sir WILFRID LAURIER: Might I recall to my hon. friend that in times past and not far distant either I was taken to task very sharply by some hon. gentlemen whom I think I see now on the other side of the House, for stating that I preferred the Yankee dollar to the British shilling. Now that my hon. friend has shown by his free wheat measure that he prefers the Yankee dollar to the British shilling, I do not know what will happen, and I think I had better warn him not to go too fast or he may land himself in trouble.

Sir THOMAS WHITE: I am sorry that my right hon. friend, who is an old cam-

paigner and politician, not to say statesman, takes these matters so much to heart. Why should he advert to them in time of war?

Mr. PUGSLEY: Would the word "currency" imply the right to issue in gold? Of course, this is a matter of internal arrangement by the company, and they are the best judges of what they desire.

Sir THOMAS WHITE: Currency includes gold. The currency of the Dominion, for instance, includes Canadian gold, British sovereigns, and American gold. Currency in the United States would include American gold as well as American note circulation.

Mr. PUGSLEY: That is true, but the company would have the right to pay in paper money if the word currency was used and not the word gold; I think my hon. friend will admit that. If these bonds were payable in currency of the Dominion of Canada, then the company would have the right to pay in paper currency, in which case the bond would not have the same value as if the payment was made in gold. But of course this is a matter of internal arrangement, and the company are the best judges.

Preamble agreed to, and Bill reported.

PENNY BANK ACT AMENDMENT.

On motion of Sir Thomas White (Minister of Finance) Bill No. 55, to amend the Penny Bank Act, was read a second time and the House went into committee thereon, Mr. Blain in the Chair.

On section 1—withdrawals for investment in Government securities, and application of interest.

Sir THOMAS WHITE: This legislation is to enable the Penny Banks to invest their funds in Dominion Government securities subject to the approval of the Minister of Finance. These banks are voluntary organizations whose object is to encourage savings by school children, and others of slender means. They are not banks under the Bank Act, and deposits by any one individual are limited to $300. At present under the Act relating to Penny Banks their funds must be deposited with the Post Office Savings Bank, and interest is allowed at the rate of 4 per cent per annum under a special arrangement with the Government. We have been requested to authorize the banks to invest in the Dominion War Loan issues, and as there seems to be no objection I have introduced this legislation. There is this safeguard, that any such investments are subject to the approval of the Minister of Finance, and of course the security is just as good as if the funds were invested in the Post Office Saving Bank.

Mr. PUGSLEY: The bonds are to be deposited with the Government?

Sir THOMAS WHITE: Yes, that is a safeguard that my hon. friend will find in the Bill.

Mr. MARCIL: How many of these banks are there in Canada?

Sir THOMAS WHITE: There are two, the head office of the larger bank being in Toronto, with branches in thirty-four centres. The other bank is a smaller organization at Chicoutimi. The Penny Bank of Toronto has on deposit in the Post Office Savings Bank $370,000, and the Penny Bank of Chicoutimi $13,000.

Section agreed to.

Bill reported, read the third time and passed.

SUPPLY.

House in Committee of Supply, Mr. Blain in the Chair.

Grant to the National Battlefields Commission, $52,100.

Sir WILFRID LAURIER: Has anything been done since last year in this matter? Is it proposed to add anything in the way of improvements?

Sir THOMAS WHITE: Not at present. The understanding is that the present works should be maintained, but that no new works shall be undertaken.

For maintenance of the National Battlefields Park, $46,200.

Sir WILFRID LAURIER: How is this to be expended?

Sir THOMAS WHITE: I should have to get the report of the commission, in order to give my hon. friend full information. I am not able to speak from memory. We have provided the amount requested by the commissioners for maintenance, on the understanding that new works would not be undertaken, but that they would do their best to maintain the works at present existing. That does not mean that we should not complete the works, if it were found more convenient to do so, having regard to the financial situation.

Sir WILFRID LAURIER: I have no fault to find with the commission. It is a fine commission, and I am sure that every dollar will be spent economically, but I would like to let the item stand.

Item stands.

Mr. KYTE: Has the Battlefields Commission jurisdiction over the national monuments? I understand there are certain places in Canada where historical events have occurred, which are taken charge of by the Government?

Sir THOMAS WHITE: This commission has not jurisdiction over that matter.

Mr. KYTE: What particular
4 p.m. body has jurisdiction?

Sir THOMAS WHITE: I do not think any particular body has jurisdiction.

Mr. KYTE: I saw a statement some time ago that certain portions of territory in the western part of Nova Scotia, for example the site of the original settlement of the Acadians at Grand Prè, were to be taken over as a national park. Is that matter in contemplation by the Government?

Sir THOMAS WHITE: I have no official knowledge of any such action. I think the report is probably premature.

Grant in aid of Canadian general council of the Boy Scouts' Association, $5,000.

Sir WILFRID LAURIER: How is that money expended?

Sir THOMAS WHITE: By the Association, which has for its objects and purposes the Boy Scout movement. We pay the amount to the Association.

Mr. MARCIL: Is the Association numerous?

Sir THOMAS WHITE: I think it is very large, and has grown a great deal. How large it is, I am not prepared to say.

Sir WILFRID LAURIER: The grant is made to the Canadian general council of the Boy Scout Association. Is that a numerous body, and where is it located? Is it in Toronto, Montreal or Ottawa?

Sir THOMAS WHITE: I think that that item had better be allowed to stand. I apologize for not having information today. The Minister of Agriculture has just come in, and we will be glad to take up his estimates, and when we reach this item again I shall be able to explain it more fully.

Item stands.

[Sir Thomas White.]

Department of Agriculture—Patent record, $30,000.

Mr. TURRIFF: Is this item for the printing of those books which are distributed monthly?

Sir THOMAS WHITE: Yes.

Mr. TURRIFF: I think that it would be a good idea if the ministers would cut that item in two, and only print about one-tenth the number of books at present printed. They are scattered round broadcast, and I do not suppose that one person in a hundred who receives these books ever opens them. I have been getting them for about thirty years, and they are no good to me. Anybody who wants to get the information contained in the patent record can get it on going to the Patent branch of the Department of Agriculutre. To my mind, it is one of the most useless bits of expenditure undertaken by the Government.

Mr. BURRELL: There may be something in what my hon. friend says. That idea has been advanced a good many times in the last twenty years or so, and on the other side there have been a good many arguments advanced why it should be printed, and why the circulation should be as large as it is. These books are sent, free of charge, to the members of the Senate and the House of Commons and the libraries. Sixty-six different libraries in England get them, ninety-four libraries in Canada, fifty-four in the United States. There is an exchange list of seventy-nine and a Government free list of thirty-one, and the British colonies and foreign colonies, fifty-seven, free, making altogether 381.

Mr. MARCIL: How many are printed?

Mr. BURRELL: Twelve hundred copies per month. This amount includes all the necessary cuts, drawings, etc.

Mr. TURRIFF: It seems to me that they are printed unreasonably often. Why could they not be printed quarterly or semi-annually? It is not necessary, even for anybody who is interested in patent matters, that a list such as this should be printed every month. Twelve hundred copies a month, costing $30,000, means that we pay over $2 for each one of these books. I have been getting these books for thirteen years, and I have never had five cents of value out of them, because this is not in my line; I do not understand it; I am not interested. A great many members must be in the same position as I am. Sending it to libraries may be all right, but you might

cut the issue away down and it might be issued less frequently than monthly.

Mr. BURRELL: Do you suggest cutting out the copies to the members of the House and the Senate?

Mr. TURRIFF: I would move that the members be cut off and the members of the Government also.

Mr. BURRELL: We will bear that suggestion in mind.

Mr. KYTE: I think the suggestion is entitled to consideration. It is very rarely that a member or a senator has occasion to refer to the list, and if he has occasion to refer to it he can get a copy.

Mr. BURRELL: The patent office is a profitable institution in the sense that last year the cash receipts amounted to $227,000, or $10,000 over those of any previous year; so that apart from the expense of the Patent Record and of the civil administration concerned with patents, there is still a very large amount credited to the Receiver General from the patent office. I shall be very glad to bear in mind what my hon. friend says about cutting down the issue of the Patent Record.

Mr. TURRIFF: We have been long enough in the House to know what a minister means when he says he will bear something in mind. He gets his estimates through and he never takes any action. But in that my hon. friend is not any worse than his colleagues or his predecessors.

Sir WILFRID LAURIER: That is hard upon ourselves.

Mr. TURRIFF: It may be hard upon ourselves, but it is a fact nevertheless.

Mr. BURRELL: I am not competent to say at the moment whether all members and senators should have it or not. When I tell my hon. friend that I will bear his suggestion in mind, what I mean is that I would like to inform myself, by consulting the Deputy Commissioner of Patents as to the precise character of the objections to the proposal and to ascertain whether there might be something to be said on the other side. My hon. friend would not expect me to say offhand what should be done and therefore I was not at all hypocritical in saying that I would bear his suggestion in mind.

Mr. TURRIFF: I imagine the deputy who gets an extra $1,000 on account of the patent branch would not like to see the expenditure cut down. I never knew a deputy yet who was anxious to have the expenditure cut down. That depends on the minister. If it is going to be cut down my hon. friend will have to take hold with a strong hand and overrule his subordinates. This is one of the things in which economy might be practised without hurting anybody. Supposing we spend $15,000, instead of $30,000, issue these books once in three months and cut off a lot of the supply, the saving would be worth while.

Mr. BURRELL: I think there is a good deal in what my hon. friend says. I would like, however, to feel satisfied that every one of my hon. friend's fellow members and senators took the same view. If that were the case, there would be no hesitation.

Mr. McKENZIE: As one member who has been receiving this paper for a very long time, I can corroborate what my hon. friend (Mr. Turriff) has said. I have never regarded it as anything else than a bulky nuisance coming to the office and which had to be thrown away.

Experimental Farms—Maintenance of Central Farm, and establishment and maintaining of additional branch Stations, $850,000.

Mr. BURRELL: This is practically the same vote as last year.

Mr. TURRIFF: What is being done to find out how to handle the question of rust on wheat? Last year Canada lost about $100,000,000 and I understand that the average loss per annum in the United States is about $150,000,000. Last year was the first year in which we had a very general and severe loss of wheat from rust and it was only about the second time that we have had any serious infestation of rust in the West. I remember that ten or twelve years ago we had more or less rust but it was nothing like as severe as it was last year.

Mr. SCHAFFNER: In 1904.

Mr. TURRIFF: Yes. I understand that scientific men are finding out a good deal about it. I understand from one of the professors in Winnipeg that the rust spores can only be carried over from one year to another on a certain shrub, the barberry bush, and it appears that in the province of Manitoba there are only about 350 of these bushes.

Mr. BURRELL: There are more than that.

Mr. TURRIFF: That is my information, although it may not be correct. This professor also stated that it was possible that

some other plant or shrub than the barberry might carry over the spores from one season to another, but so far all the research that has been made has failed to discover any such bush. I understand also that the spores are so extremely light that, for instance in an absolutely still room with the doors and windows all closed and with no current of an air, a spore will take an hour to fall a distance of four feet with the result that they can be carried hundreds of miles by the wind. It has been noticed that in the two seasons in which we have suffered badly from rust in the western provinces it has been after we have had a great deal of south wind, which has brought the spores up from the more southern part of the continent. I know that the American Government is spending a large amount of money in the effort to find out some way to handle this plague, and probably in the end something will be discovered by which we will be able to control it. I remember when smut was with us a very serious menace in the West and the cause of a loss of hundreds of thousands of dollars to the farmers. Now scientific men have discovered how to deal with smut, and the farmers are able to guard against it. I have no doubt that the same thing will occur with rust. It is such a very serious matter that I think the department would be justified in spending some money in the effort to guard against this disease.

Mr. BURRELL: I agree with everything my hon. friend has said in regard to rust, and the figures he has quoted of the losses caused by it are the same as the estimates we have had. As we considered it such a serious matter, we prepared some time ago for the erection of two field laboratories, one at Indian Head and one at Brandon, on our experimental farms. We were anxious to secure the very best man to take charge of this work, and I finally heard of Mr. W. P. Fraser, assistant professor of biology at Macdonald College, as being the most competent man on this continent in reference to diseases of this kind. I discussed the matter with Dr. Harrison, who was very loathe to lose Mr. Fraser, but I represented to him the importance of this investigation, and finally Dr. Harrison agreed, and Mr. Fraser entered our service at a fairly good salary, and is now in charge of this branch of our work. I may say that when I applied to the American authorities in the effort to secure a first-class man, I was informed that I need not go outside of Canada as Mr. Fraser was the very best man on this continent. We have a number of very skilled men on fungus diseases in the department, as we have greatly enlarged this branch of our service during the past three or four years, but for this investigation we desired a man of pre-eminent ability, and I have every reason to believe that in Mr. Fraser we have secured such a man. I may say that we have printed 100,000 copies of a poster about two feet by three feet showing the disease in all its phases and giving the best methods of combatting it, so far as we know. This has been very generally distributed, and I hope my hon. friend has received a copy of it.

Mr. MARCIL: Where are the different stations to be located?

Mr. BURRELL: The vote always reads in this way. We allow a certain amount of leeway for the establishment of new stations. We are rather holding back in the matter since the war, with the expectation of strengthening and developing the work in existing stations and with the expectation also of the establishment of a considerable number of illustration stations. We have taken forty or fifty acres of the land of some progressive farmer in a certain district, and then, under our direction, he has carried out various methods of planting and handling his soil. I think that we supply seed to a certain extent. This has furnished an object lesson to all farmers in the district. I think, strictly speaking, it may be regarded as provincial work, but we took it up in 1914 owing to the drouth in Southern Alberta and Saskatchewan, because we had evidence there that a large number of the newer settlers had no scientific knowledge of the proper handling of the soil and the warding off of the danger of drouth. We have established something like thirty of these illustration stations. We have also made a start in Quebec, and have ten or twelve stations in that province, and one or two in the Maritime Provinces. We shall probably do a little more in that line this season. Whether we shall establish more experimental farms this year, I would not be prepared to say. We have a great number of places which are under the impression that they have been promised stations, or have had promises to look into the matter, and at the same time I think our work is sufficiently heavy, especially in view of the immediate necessities of the war, to cause a little halt in the establishment of experimental farms.

Mr. MARCIL: The minister is anxious to increase the production of the country.

Are the experimental stations in Quebec all over the province or in what localities are they?

Mr. BURRELL: The ones actually established are in Châteauguay, Drummond, Champlain, Bonaventure, Rimouski, Missisquoi, Chicoutimi, Dorchester, Verchères and Labelle.

Mr. OLIVER: There are two experimental stations in the Peace river country, one at Vermilion and one at Beaverlodge, two very important and very widely separated sections of the country. In view of the fact that the great Peace river country is now in process of development and is attracting the attention of settlers more than any other part of the prairie west, it is in the public interest that such experimental and illustrative work as has been carried on in these two localities should be amplified and extended so as to establish as thoroughly and as rapidly as possible to what extent the climatic conditions prevailing in that country are adapted to agricultural production. The great possibilities of advantage in the establishing of these experimental farms or stations are most evident where a new country is in process of occupation and where everything in the line of agriculture is necessarily experimental. The experiments carried on by the Government at the general expense may be the means of saving enormous losses to the settlers in their work of development and corresponding losses to the country, which benefits by their successes and loses by their failures. The Vermilion settlement and experimetal station is three or four hundred miles further north than the city of Edmonton. There has been an agricultural settlement at that point for many years, and a large area of that district is reputed to be suitable for settlement. Vermilion is in the neighbourhood of north latitude 57, and it goes without saying that farming there may be subject to conditions not generally understood in latitudes below 49. While there has been a sufficiently continued and successful production at Vermilion to demonstrate the agricultural possibilities of that country, in the expansion of settlement throughout the possible agricultural area the difficulties to be encountered might be successfully solved in advance at a farm or station more fully equipped than the present station at Vermilion. I am not at all belittling the importance of the station or the work that it has done. But a new condition has arisen through the railroad reaching Peace River town and the establishing of regular steamboat communication on the river; Vermilion is within the reach of the pioneer settler as it was not two years ago. This condition justifies the amplification of the good work that has been carried on at the Vermilion station and the fuller development of that work by the department.

Somewhat the same argument applied to the work on Grande Prairie at Beaverlodge. The large, progressive and successful settlement on the Grande Prairie has been established only five or six years, and during so short a period the conditions can not have been tried out by the pioneer settlers to the fullest extent. I suggest, therefore, that on the Grande Prairie, in the Beaverlodge locality or elsewhere, it is in the public interest that the department amplify and develop the work that they are now carrying on, with a view of discovering and of demonstrating the agricultural possibilities of the Grande Prairie country and the adjoining prairie areas of the Upper Peace river, as distinguished from the Vermilion settlement, which is on what we call the Lower Peace river. These widely separated districts differ both in latitude and in altitude, the Vermilion settlement being at a lower altitude and a higher latitude than the Grande Prairie settlement, which occupies a position comparatively near the foot of the mountains, and is at a fairly high altitude. I do not suggest that the station at Beaverlodge was unwisely placed, but it is desirable that the work be amplified because owing to the possibilities of the country, the large influx of settlement and the differences in latitude and altitude, the results at Vermilion are not conclusive in regard to Grande Prairie, nor is the work at Grande Prairie conclusive in regard to Vermilion. The two sets of experiments are necessary in order to give the full development that is desirable to that great Peace river country.

Mr. BURRELL: I am not disputing at all the force of a great deal of what my hon. friend says; in fact, I cordially agree with what he says. What he says in regard, for instance, to the district he has been touching on is practically equally true of all our north country from Quebec right through to British Columbia.

Mr. OLIVER: No.

Mr. BURRELL. It is true in certain portions. There is a great deal of immigration, for instance, into British Columbia.

Mr. OLIVER: The returns of the Interior Department, which are very conclusive, state that there is no comparison between the quantity of settlement going into the Peace river country and that going into any other equal area in the North country.

Mr. BURRELL: I am not prepared to dispute that there is more settlement going into Peace river country. I am informed that there is a good deal of immigration going into all these newer districts, and I have no doubt—and I expect my hon. friend will agree—that much of that north country will prove far more adaptable to agriculture than we have any idea of at the present time, and I quite agree that all this work is valuable. It is a tremendous territory to deal with and expand and find the right places, and to initiate and establish any work of this character. I think, however, it is quite within the bounds of probability that we shall do some further work of that kind, and if we do, it is quite likely that we shall do some in that important district to which my hon. friend refers. The Grande Prairie district is already a considerable settlement; there are difficulties in it to be met, and I quite agree that any work of that kind would repay itself a hundred fold or four hundred fold. I will bear in mind what my hon. friend has said.

Arts and Agriculture—Branch of Entomology, $20,000.

Mr. KYTE: Who is in charge of that department?

Mr. BURRELL: Some years ago the Botanical and Entomological branches were simply divisions of the Experimental Farm system, but the entomological work of this country began to develop so much and there were so many important problems that were not directly associated with the Experimental Farm work that we came to the conclusion we had better establish a separate Entomological Branch, and Dr. Hewitt, who was at the head of the division when it was in the Experimental Farm system, was made its head. He has capable officers under him in almost every province studying out the different problems, establishing field laboratories and working out the histories, not only of injurious pests, but of friendly insects that keep down the predacious ones. For instance, we get from some part of the country reports of some new pest that becomes established which we could not study on the farm and the combatting of which is of vital interest to farmers over a large section. My hon. friend probably knows about that moth which is now in Nova Scotia and which has cost the eastern United States $6,000,000 within the last twenty or thirty years.

Mr. KYTE: Has the department any report as to the progress made in fighting the ravages of the brown-tail moth in Nova Scotia?

Mr. BURRELL: We have pretty full reports, and I think on the whole we have been able to keep a fairly satisfactory check on it. This is a work of enormous importance and of very great value. We are endeavouring to combat the ravages of this moth in two or three different ways. We are keeping a staff of men travelling all the time through the orchards and fields of the country, destroying its nests and eggs and in two or three different laboratories we are breeding insects which prey on the brown-tail moth both in the moth form and in the larvæ form.

Mr. ROSS: What is the line of cleavage between items 44 and 45? What has been done in the county of Middlesex in regard to this branch? Who is the expert and what has he been doing?

Mr. BURRELL: The difference between items 44 and 45 is that item 44, the Branch of Entomology, deals with all general questions of insect pests and insect life injurious or beneficial to the farmer, and item 45 deals with those phases of the work which come under the operation of the Destructive Insect and Pest Act. Under that Act, we are dealing with the brown-tail moth, for instance, and with various forms of entomological and botanical work. After practically making it impossible in Europe to grow white pine, this disease of white pine blister rust has been imported into this country and is threatening the existence of our white pine, which is worth about $200,000,000. We are beginning to do a great deal of valuable experimental work to endeavour to combat the work of that disease; that is done under the Destructive Insect and Pest Act. My hon. friend probably alludes to the fact that we established in 1913 one of our field laboratories at Strathroy for the special study of all insects injurious to plant life. We are carrying on work there that will be of benefit to the whole district.

Mr. ROSS: What has the expert there accomplished in connection with that work?

Mr. BURRELL: When my Estimates are up again, I shall, I hope, be able to give that information.

Mr. ROSS: What is the expert devoting his attention to in particular?

Mr. SCHAFFNER: Reverting again to the question of rust, which comes more properly under this head, although the blame is laid on the barberry bush, the fact remains that that bush is with us all the time, but that rust comes only once in ten or twelve years. Can the Government, through their Director of Experimental Farms, or otherwise, furnish us with any information as to what effect the rust, which was so severe last year, will have on this year's crop? Will this rust remain in the soil causing any trouble, and what will be the effect of sowing seed that has been rusted? Those are questions that the farmers in our country are asking to-day.

Mr. BURRELL: Although I am not thoroughly familiar with this particular fungus, I understand that the rust is not transmitted through the seed. In a lot of these obscure fungus diseases the spores may be lying dormant in the seed, only waiting for favourable climatic conditions to develop. Last year conditions in Manitoba were extremely favourable to the development of this fungus. It is quite true that the barberries that harbour that particular rust are rather a source of danger. Some years ago the Department of Agriculture in Ontario, recognizing the danger, passed legislation for the destruction of all barberries. But the barberry bush, not only the purple kind but others, is a highly ornamental plant, and so many protests were made that the Government made the law operative only with the good will of the municipalities; that is, if a certain number of people in a municipality wanted the bushes destroyed the law was enforced. The consequence was that the law became a dead letter. In the West conditions are a little different, because there are comparatively few barberries, although I imagine in cities like Brandon, Winnipeg and Moosejaw both forms of the barberry would be hardy enough to live. They are highly ornamental, and a man with a beautiful hedge of them would be sorry to see them destroyed. So far we have hesitated taking any such action, although that may later on be desirable. We are having Mr. Fraser inquire into this question, and if we come to the conclusion that it is in the interests of the farmers to eliminate the barberry entirely from the western country, we shall have no hesitation in recommending such action.

Mr. SCHAFFNER: What about the rust lying dormant for ten or twelve years?

Mr. BURRELL: Like all other forms of disease there might be a certain percentage of rust there all the time, but climatic conditions might be such that it would not develop until the twelfth year.

Mr. BRADBURY: Could nothing be used in the ground to kill the rust?

Mr. BURRELL: There is a great deal of obscurity about this disease. It may be entirely dormant for several years, only to break out when conditions are favourable.

Mr. SCHAFFNER: In 1904, when the rust was not nearly so severe, the next year's crop was hardly affected at all. Has the minister been able to find out whether the failure in the wheat crop last year was entirely due to rust? I do not profess to have any scientific knowledge on this question, but I am strongly of the opinion, and it is also the impression of the farmers in my district, that rust was not the only cause of last year's failure. We had a very great deal of snow, and a very late spring. We could not get on the ground to sow until unusually late in the year. I think the season had never been so late before. Seed that should have been sown on the 1st of May was not sown until the 1st of June. Then came splendid growing weather, plenty of rain and moisture, and lots of warm weather, and the grain grew very quickly. The wheat had never looked better, and every one thought it would run from 40 to 45 bushels to the acre. I never saw longer heads, but when they were shelled only three or four shrivelled kernels would come out. The impression was that the grain grew very quickly, but had very little root. Furthermore, we did not have very many hot winds last year, as we had in other years. Our people do not believe the failure was due entirely to rust, but that there was some other blight on the crop.

Mr. BURRELL: My information is that the failure was almost entirely due to rust, and that there was very little blight indeed. Wheat at certain stages of its growth is more immune than at other times from a violent attack of rust, but if the development of the rust fungus happens to coincide with a particular period in the growth of the wheat the grain may be damaged very seriously. My information at present is that last year's failure was due to rust, but I

hope, before another year, to have further information on this fungus.

Mr. GRAHAM: One of the troubles in Ontario, and I suppose in other provinces, is the weed pest; I refer particularly to mustard and daisies. I think there is enough land in Ontario covered with these weeds to supply wheat for the people of all the province. So long as I can remember, the Ontario Government has been experimenting with methods for killing weeds. When the farmers' organizations held their meetings regularly I attended them all, and I have been told time and again that a certain solution had been discovered which, if applied at a certain time of the year and in a certain way, would kill mustard. But next year the mustard would come up just as thick as ever on the next farm, if not on the one where the solution had been used. Has anybody really discovered a death blow to these pests? We are talking about increased production these days, and if some way could be discovered of eradicating these weeds, I think on the land thus cleared in Ontario we could grow enough wheat to feed all the people of our province. Surely if the Federal and Provincial Departments of Agriculture took up this question, some way could be found of killing these pests so that they would stay killed with proper care. I am afraid the Ontario Government has not been successful in this direction, although I am told that in some cases their efforts have met with success. But wherever you go in the country to-day you can see these weeds in abundance. Has the Federal Department of Agriculture taken any action along this line, and if so, are their efforts likely to meet with success?

Mr. BURRELL: My hon. friend has not, like myself, been engaged in farm work for a great many years. The weed problem is a very old one, and if my hon. friend thinks we can develop a specific for killing all weeds he is going to be very much mistaken. It all depends on the personal equation. A good farmer who knows how to handle his land by rotation of crops, and keeps it in good shape, is not going to be very much troubled with weeds. When we first bought the Experimental Farm it was absolutely infested with every kind of weed known to the province.

Mr. GRAHAM: How is it now?

Mr. BURRELL: Pretty good. I have been in districts in my hon. friend's province and found conditions different. I can go into one district and find a farm seeded down with bad weeds, and I can go to another district, where the farmer kept his farm in good shape with a rotation of crops, and I will find the farm perfectly clear of weeds. It is the personal equation and the knowledge of how to handle crops that counts.

Mr. GRAHAM: Is there any solution which, if applied every season, would kill wild mustard and daisy?

Mr. BURRELL: No.

Mr. SCHAFFNER: What about dandelions?

5 p m.

Mr. GRAHAM: They are very bad; they are in the category with daisies; they spread themselves out and kill everything in sight. My hon. friend says it is the personal equation that counts, and of course that is the big factor in everything. Canada is not so infested with the Canadian thistle as with other weeds. They have been experimenting in the provinces with a solution which they say, if applied, will kill these weeds, but the weeds are still growing. It strikes me that, as a result of our scientific investigation, there should be something found that would kill these weeds. The spraying of fruit trees, done regularly, kills the insects, and consequently the development and the production of fruit is greatly assisted. Is there not something which could be used against the other pests in the same manner? If the Agricultural Department could devise something really effective, they would be doing more for development and production than they have yet accomplished.

Mr. BURRELL: We know that insects on fruit trees can be killed by spraying, but there you are treating animal life which is existing on vegetable life. I do not think the spraying of weeds has been found to be very satisfactory, and I understand they are largely giving it up, because in that case you are dealing with a more persistent and hardier type of vegetable growth than cultivated plants. The weeds have survived through hundreds of years, and it is a case of the survival of the fittest. The mustard seed will retain its germinating powers in the ground longer than any other seed known. There is nothing on earth to kill the mustard and daisy except a systematic course of good farming, rotation of crops, and breaking up of the ground. It is a question of labour and intelligence to clean out the weeds, and I do not think you can

manufacture any specific that will do that work.

Mr. MARCIL: I have heard farmers say that placing manure on the land makes matters worse.

Mr. BURRELL: Yes, if it is not handled properly; the manure may be full of weeds of the worst kind.

Mr. MARCIL: Could the minister give me the name of the farmer in Bonaventure who tried the experiment last year?

Mr. BURRELL: E. M. Legallis.

Mr. MARCIL: And the results were satisfactory?

Mr. BURRELL: It is only the first year, and it would be hard to say. I should like to say a word to the hon. gentleman from Richmond (Mr. Kyte) who asked me about the brown-tail moth, because it is just as well to have one or two facts on record. The work is being done from Fredericton where we have our station, We are doing scouting work in connection with the brown tail moth all through New Brunswick and Nova Scotia, and, in spite of the spread of the moth from the United States to these provinces, we think we have it well under control. In New Brunswick we have men employed all winter. Infestation exists in the counties of Carleton, York, Sunbury, Queens, Kings, and Charlotte. In Nova Scotia five counties: Hants, Kings, Annapolis, Digby, Yarmouth and Shelburne, are all more or less infested, and the southern part of Quebec is being scouted for the brown tail moth, though no infestation has been found. Through the courtesy of the United States Department of Agriculture who have been importing parasites of the gipsy and brown tail moth from Europe and Asia, and we have continued the breeding of parasites of one of the predaceous beetles. We have colonies of these insects established in Nova Scotia, New Brunswick and Quebec. Since the work began four years ago, we have reared, collected and imported into Canada over 100,000 insect enemies of the brown tail and gipsy moth. The gipsy moth has not yet reached Canada. It is forty or fifty miles south of the line, but by importing and breeding these parasites which live on the gipsy moth, we hope to have a valuable ally in preventing it being established in the country at all.

Mr. KYTE: How is the scout system carried on?

Mr. BURRELL: We have been co-operating with the provinces. The provinces have given a certain amount of men and we have given a certain amount of men. Year after year we have had men who have been very active and energetic doing this work, and we thought it better to continue the same men, in preference to having new men, who would have to be taught each year.

Mr. KNOWLES: What has been done to protect against rust in the West? In a word, has the minister made any progress in the way of giving out information, so that farmers may get rid of the rust in their wheat?

Mr. BURRELL: As a matter of fact, we have only started to work. We have established two laboratories, one at Brandon and one at Indian Head, and engaged the services of the very best man on the continent, Mr. W. P. Fraser, formerly of Macdonald College, has gone to take charge of that work and carry on the investigation. He will work out every phase of the life history of the rust, and the best means to combat its ravages. We have also issued about a hundred thousand copies of a poster which gives an absolutely life-like illustration of the rust in all its forms, with directions and suggestions so far as we are familiar with the matter at the present time. Our actual investigation work has not gone very far, because Mr. Fraser only went out there lately. We hope to have a good deal of valuable work done in the course of a year.

Mr. KNOWLES: Could you make any recommendation as to one class of wheat seed less liable to be attacked by rust than another?

Mr. BURRELL: I have been informed that they have been giving a good deal of attention to that in the States, but, so far, they have not been able to come to any conclusion as to one particular variety more free from it than another.

Mr. KNOWLES: Was it not the case that last year Marquis wheat was freer in the ratio of one to ten from rust than Red Fife?

Mr. BURRELL: No, not any freer than the other.

Mr. KNOWLES: Oh, yes.

Mr. BURRELL: From rust?

Mr. KNOWLES: From rust. I would say that there would be ten fields of Red Fife rusted to one of Marquis last year.

Mr. BURRELL: It may be possible that the reason is, as I explained to my hon. friend from Souris (Mr. Schaffner), that rust will attack wheat at a particular stage of its growth more especially if the rust fungus is also at the proper stage. These two conditions being present, the attack is very much more vigorous. The Marquis wheat may develop at a different time in a particular district and the rust may develop later and in this way the wheat might escape attack. But, speaking generally, through the western country there has not been this difference which my hon. friend suggests.

Mr. KNOWLES: It does not necessarily follow that Marquis comes in the dangerous season as it is earlier than Red Fife.

Mr. BURRELL: That is probably true but any grain that is sown earlier and that develops earlier will probably have a greater tendency to escape owing to the greater vigour of the plant.

Mr. KNOWLES: If the department has knowledge that Red Fife is more likely to come in the danger zone in regard to time why not advise the farmers of that?

Mr. BURRELL: Everything that is known to the experimental stations has been communicated to the farmers in the circular to which I have referred.

Mr. KNOWLES: When I asked the minister he stated that there had been no information given to the people as to the difference between one kind of wheat and the other.

Mr. SCHAFFNER: Was there any difference between Red Fife and Marquis in regard to liability to attack from rust?

Mr. KNOWLES: The difference was about ten to one in favour of Marquis.

Mr. SCHAFFNER: In our country I do not think there was any difference between Red Fife and Marquis.

Mr. KYTE: Are the wheat growers in eastern Canada troubled with rust to the same extent as the western wheat growers are?

Mr. BURRELL: Very seldom.

Mr. KYTE: More wheat is being grown in eastern Nova Scotia and Cape Breton than ever before. If there is any way to guard against the attack of rust it would be well to give warning to the wheat growers and any information which the department may have should be communicated to them with the view of affording protection against that particular pest.

Mr. BURRELL: Wheat in the eastern provinces is very seldom attacked. There may be some climatic conditions under which it may occur. Any information we get in the West that is of value to the East will be distributed.

Mr. KNOWLES: Are not the local experimental farms in Alberta going into this question very fully? There is one at Carlsholme, and there are local branches at other points. Are they not carrying on investigations, and if so, does not this department collaborate with them?

Mr. BURRELL: I cannot tell my hon. friend to what extent they are making a special study of this particular rust. We have had some little correspondence with them, but I understand they are practically leaving this special work to us. We have the very best man who can be got on the continent in Mr. Fraser, of Macdonald College. He is acknowledged in the United States to be the best man on this particular class of disease, and we are willing that he should give his whole time to the study of this rust.

Mr. KNOWLES: Apart from this important gentleman who is giving his time to the study of the rust question, who is the chief botanist?

Mr. BURRELL: That is under the Director of Experimental Farms.

Mr. KNOWLES: What are the duties of the chief botanist? What is his name? I have forgotten his name; he is a German.

Mr. BURRELL: There is no chief botanist at the present time. The Director of the Experimental Farms is acting as chief botanist.

Mr. KNOWLES: There is a doctor something—I know the gentleman, but I forget his name.

Mr. BURRELL: I suppose my hon. friend is alluding to Mr. Gussow, who was placed in the department by Mr. Fisher about eight years ago.

Mr. KNOWLES: It is of no importance when he was placed in the department. I was not alluding to who appointed him, and I do not care.

Mr. BURRELL: He is not the chief botanist.

Mr. KNOWLES: What is his office?

Mr. BURRELL: He is acting in the department, but not in the responsible position of chief botanist.

Mr. KNOWLES: What is his position?

Mr. BURRELL: He is carrying on laboratory work in the laboratory at the Central Experimental Farm.

Mr. MARCIL: What is the increased acreage under cultivation in the West this year?

Mr. BURRELL: Our information is that there is about eight or ten per cent less wheat under crop throughout the West this year, but that is more than made up by the increased acreage of barley and oats. In Southern Alberta, I understand, there is a little more wheat than last year. The increased acreage throughout Canada will be seven or eight per cent.

Mr. OLIVER: There is another variety of wheat I have heard spoken of as being exceptionally early—Prelude. Is any experimentation going on in connection with that wheat with a view of finding out whether it would escape rust or not?

Mr. BURRELL: I do not know that we can say anything as to its exemption from rust. We are carrying on some work in regard to Prelude, and the director tells me that we are carrying on a lot of work in our northern stations. The wheat that my hon. friend speaks of is very much earlier than Marquis. It gives very good results at Fort Vermilion, in the Peace River country.

Mr. COPP: I would like to revert for a moment to item 43, as I was not in the House when it was taken up. I see by the Auditor General's Report that at the farm at Fredericton, which is the only experimental farm in my province, the expenditure for the year ended March 31, 1916, was $42,618.87. I would like to have some information with regard to the crops under cultivation, the yield per acre, and the position and condition of that farm at the present time.

Mr. BURRELL: I am afraid I cannot give my hon. friend that information in detail, because all these reports are in process of compilation now as to the exact acreage, character of the crops that are grown, and the experiments that have been carried on. I may say though that about 300 acres are under crop now.

Mr. COPP: Something like $1,966 was received from the sale of stock in the year 1915-16. That seems to be the only revenue from that farm. With an expenditure of $42,000 on a farm that has been established for some years, we might expect some considerable return to help meet the cost of maintenance. The general expenditure on these farms should be repaid to a certain extent, and quite a large extent, by the proceeds of what is sold.

Mr. BURRELL: My hon. friend will find a full statement of the returns from all the farms at page A-91 of the Auditor General's Report. My hon. friend's argument is often made in connection with experimental farm work in all countries, and at first sight it seems reasonable, but it is based on an entire misconception of the whole nature of the work of experimental farms. What my hon. friend says would be absolutely true of a demonstration or model farm, but no experimental farm on earth ever should pay; if it did pay it would not be an experimental farm. That is a safe proposition. In order to have a farm pay by the selling of animals and crops it would be necessary to devote all of the acreage and all of the labour to the production of articles for sale, but an experimental farm is worth nothing unless it can do what an individual cannot do, owing to the great expense, that is to make thousands of experiments of all kinds to eliminate those that have been shown to be useless after a number of years. But if one experiment is successful it will justify the experiments carried on for many years. Let me take a familiar illustration, that of the Marquis wheat, referred to by the hon. member for Moosejaw (Mr. Knowles). Untold thousands of dollars were spent by the late Government and the preceding Government in the effort to produce a wheat that would be an improvement on the Red Fife. Thousands of experiments were made with little plots of ground at the farm here, crossing different varieties, and thousands of these were absolutely useless in so far as the value of the resulting variety is concerned. But by crossing a Himalayan wheat with the old Red Fife, out of a great many hybrids produced, one was so promising that it was replanted and tried next year at all the stations. After a few years the type became so fixed and its advantages so apparent that it was given a name, Marquis, and put into general use, its great advantage being that it ripened ten days earlier than the old Red Fife. That quality has made it of incalculable value; I venture to say that the originating of that variety has paid many times over

for all the cost of all the experimental farms since the first establishment of a farm in 1887. There have been thousands of experiments in grains that were not of such great value. What is true of grain is true of cattle and plants and all kinds of fruit. So I repeat that no experimental farm can ever pay or should ever be expected to pay, and that the return from the sale of crops is a bagatelle, and must be, in comparison with the cost of administration.

Mr. COPP: My hon. friend seemed to take it for granted that I was arguing against experimental farms.

Mr. BURRELL: No, but I thought you laid undue stress on that feature.

Mr. COPP: I did not intend to do that. Would the minister give us some information as to the manner in which the results of the work at the farms are disseminated among the farmers?

Mr. BURRELL: That information is distributed by bulletins; circulars and reports, and successful results at one farm are incorporated in further research work at all the farms. Then our men from each farm visit the other farms and bring back information to those in their district. That is in addition to the visiting of the farms by farmers to see what is being done.

Mr. COPP: I understand that the farmers get no information from these experimental farms.

Mr. BURRELL: I am informed that several thousand people from different parts of the province visited the Experimental farm at Fredericton last year.

Mr. COPP: I think my hon. friend has been misinformed. A farmer's picnic is held there occasionally, which is attended by about a score of people. The Experimental Farm is, no doubt, doing splendid work in the way of getting information for those who are running the farm and for those who live nearby, but complaint is made that the information is not spread among the farmers throughout the province as it should be.

Mr. BURRELL: We have the names of a good many thousand New Brunswick farmers on our mailing list. The farm at Fredericton is comparatively new, and there has not been time to develop the experimental work which may be expected within the next five or six years. We shall gladly add to our list any names that are sent in; my hon. friend is right in saying that the people should have any information that is of value to them.

Mr. COPP: I would suggest that my hon. friend get a list of the members of agricultural societies throughout the province and use that as an addition to his mailing list.

Mr. BURRELL: We have already done that.

Mr. KNOWLES: We have on the prairie a very destructive weed known as wild oats. Does the department issue bulletins containing plain talk to plain men as to how to get rid of that weed? The only method that I know of is too expensive for the average farmer.

Mr. BURRELL: As far as I know, we have no special bulletin dealing with that particular weed. A very excellent book, however, was issued many years ago on the subject of weeds, of which a larger edition is now available. This book probably deals with all destructive and injurious weeds, and sets forth the best methods of treatment.

Mr. KNOWLES: Will the minister, the next time he comes with his estimates, bring with him such a publication or circular, or an extract therefrom, dealing with wild oats? It is absolutely impossible to get rid of this weed by the ordinary summer fallowing.

Mr. BURRELL: I will bring a copy tonight.

Mr. PUGSLEY: Can the minister give us any information as to what success attended the establishment of the parcel post system in the way of encouraging the shipment of agricultural products? In the United States, poultry, butter and many other farm products are regularly carried by mail, the United States Department of Agriculture taking a great interest in the matter. I believe that in many cities in the United States cold storage departments have been established in the post offices to facilitate the proper handling of agricultural products of a perishable nature.

Mr. BURRELL: I know that the development of the parcel post system is expected to enable people to ship various products of the kind mentioned by my hon. friend. I think, however, that my hon. friend would secure fuller information by bringing the matter up when the Post Office Estimates are under consideration. I could not tell my hon. friend off-hand to what extent the parcel post has been made

use of in the carrying of agricultural products.

Mr. PUGSLEY: The Post Office Department is not specially interested in the distribution of agricultural products, but the Department of Agriculture ought to take a special interest in that work, and I am surprised that my hon. friend cannot give us the information. I should think that he would be deeply interested in ascertaining what benefit the establishing of the parcel post system has been in the way of encouraging agricultural production in Canada. When the parcel post system was authorized by Parliament it was anticipated that a great benefit to the farming community would result, and that the consumer and the producer would be brought closer together. Unfortunately, the Postmaster General is engaged with matters connected with recruiting and is not here to give us the information. Can the hon. minister not tell us whether the farmers are availing themselves of the parcel post for the shipment of their products? Does not the minister think he should give us this information, which, I am sure, would be received by every one with great interest.

Mr. BURRELL: I am most happy to convey to the House any information that I can secure, but I frankly confess I do not know to what extent farmers throughout the country have availed themselves of the parcel post system for the shipment of their products. After all, many of these matters have been dealt with by the different provincial legislatures, and until recently absolutely nothing was done in the Department of Agriculture in regard to marketing. It is only within the last two or three years that we have begun to pay any attention to the larger marketing possibilities such as livestock, and we have created a market for that purpose. During the regime of my hon. friend no attention was paid to such matters and he cannot expect me already to have such a mass of information that I can give in detail what every market gardener or farmer throughout the country is doing.

Mr. PUGSLEY: I do not expect the minister to give the House information as to what all the farmers throughout the country are doing, neither do I expect that the country will accept as a good answer to the question as to what this Government is doing, the statement that the old Government neglected its duties to the farmers.

Mr. BURRELL: I am simply pointing that out.

Mr. PUGSLEY: This country is advancing and we expect a progressive Government to do its full duty, even although the former Government was not just as progressive as it might have been. I do not know whether it was or not, but it did the best it could. We are, however, getting new ideas these days, and we have to-day an example in the neighbouring republic of the wonderful development which has taken place in connection with the parcel post system. Why should that not take place in this country? It is a matter of great surprise to me that the minister should say: I have had this important work going on for only two or three years, and I am not able to tell the House and the country what are the results that have flowed from it. The minister says that if he can get the information, he will do so. That is very laudable. When will the minister give us the information?

Mr. BURRELL: My hon. friend, knows perfectly well that he cannot pin me down to giving an exact date. I am very sorry that my hon. friend is so deeply pained over this matter. I can only tell him what I told him before, that I will have my officials look into the matter, and whatever we can do in the way of getting information or assisting in this matter will be very gladly done. Unfortunately, in view of all the nice things my hon. friend has said, this Government is not perfect. Rome was not built in a day.

Mr. PUGSLEY: If there is in the world one thing in regard to which I can agree with my hon. friend, it is that this Government is not perfect. That statement will meet with full approval throughout the country. Even if this Government is not perfect, will the minister promise, that if we do not detain him to-night, before this session is over, he will place before Parliament a statement made by himself in conjunction with the Postmaster General or the acting Postmaster General of what has been the results of the inauguration of the parcel post system in the way of bringing about and encouraging that close intimacy of contact between the farmer as the producer and the city-man as the consumer that will enable the one to get a more ready market for perishable products and the other to receive those products upon reasonable and fair terms? As I have said, the Department of Agriculture in the United States has taken charge of the matter there in conjunction with the Post Office Depart-

ment, and it is giving great encouragement to the farmers.

There is another thing in regard to which a good deal could be done through the Department of Agriculture, particularly in connection with the Experimental Farms and that is to send instructors and educationists around to the different farms to visit the farmers in their homes and look into the farm work they are doing, give them practical instruction with regard to poultry raising, the raising of crops and fertilising. There are a hundred ways in which the farmers could be encouraged. It should not be necessary for the farmers to travel one hundred or two hundred miles to experimental farms in order to receive instructions, but those who are engaged in practical work upon the experimental farms ought to be instructed to go to the farms and take up the work in the different counties, have the soil analyzed and give the farmers information as to what soil will produce the best crops, and as to what kind of fertilizer it is best to apply in connection with the soil in particular localities. It is along those lines also that the Agricultural Department in the United States has done such splendid work, but we hear of nothing of that kind being done in Canada. All the minister has said this afternoon is that the old Government has not done much; that we are not perfect; that we have been at work only a few years, and that the country must not expect too much from us. Governments do not remain in power forever; my hon. friend may find himself engaged in other occupations before very long, and he may regret that he did not go to work actively and make hay while the sun shone and accomplish something effectual for the benefit of agriculture in Canada.

Mr. BURRELL: Amongst other things that I shall not regret, if I have to disappear from public life, is the great pleasure of meeting my hon. friend. The stage lost a great asset when it lost my hon. friend. I do not think he does his great intelligence justice when he speaks about what has not been done in the way of agricultural work. As a matter of fact, the work of agriculture around the farms and of visiting the farmer and giving him instruction has had greater impetus given to it by means of what we have done in the last two or three years than anything else that has taken place in Canada, and at the present time every province, under the Agricultural Instruction Act, is receiving an appropriation, a large part of which is devoted to this express purpose. It is most valuable work. In Ontario, something like $100,000 of the agricultural appropriation is given for the development of the work of the district representatives, who are gentlemen such as my hon. friend suggests, starting in the agricultural colleges and then going around the different counties telling the farmers exactly what my hon. friend suggests. In Quebec and in every other province of Canada, that work has been developed. We have not done it to the extent that has been suggested, simply because, as it is educational work, we have endeavoured to co-operate, as far as possible, with the provinces and to let them do that special form of work, although we do a limited quantity of it. I am sure my hon. friend, with that great want of charity which animates his person on all occasions in this House would not want to do even a minister sitting on the treasury benches an injustice in the remarks he makes.

Mr. BURNHAM: If the hon. member for St. John (Mr. Pugsley) will read a book called the Distribution of Food Products, issued in 1916 by Professor L. D. H. Weld, the greatest authority on that subject in the United States, he will find that the whole question of distribution of farm products is gone into in every particular, and for those localities that are close to each other, under proper climatic conditions and in suitable times of the year, the parcel post is condemned as absolutely unsuitable for the carrying of farm produce.

Mr. PUGSLEY: With all deference to the gentleman to whom my hon. friend from West Peterborough refers, I do not see how that should be. If it be the case, of course, we ought to know it, because that was one of the great advantages held out to the people of this country in connection with the expenditure that would necessarily be incurred in establishing the parcel post system. I would not for a moment think of doing any injustice to the minister.

If anybody ventures to ask the minister a question, or to criticise him, he thinks some injustice is being done. Why, we are here for the very purpose of criticising matters in respect of which we think objection should be made. I am quite disposed to recognize all that the department has done, but I think that very much more might be done along the lines which have been suggested.

Mr. LEMIEUX: As I may be said to be the father of rural mail delivery in Canada, I might, perhaps, say that when it was introduced in this country, in 1908, we followed the example of the United States Post Office Department, and if my hon. friend from Peterborough will read their reports as to the object and results of the parcel post and rural mail delivery he will find that the service was established in the United States on a cheap popular basis, primarily for the benefit of the farmers. The Hon. Mr. Wilson, who was formerly Minister of Agriculture in the United States, was in office at that time and he published a report on parcel post and rural mail which I commend to my hon. friend, and in which he states that by the establishment of rural mail delivery the farmer has been brought nearer to the large centres, and that real parcel post, not the sham we have in this country, will solve the problem of distribution of farm products. During my tenure of office as Postmaster General parcel post was not on the raw basis which has since obtained in this country; it was then only in the experimental stage. I do not begrudge the extension of the service that has taken place, although I am afraid it has increased the expenditure of the department to a very great extent. I do not begrudge it, however, because it is in the interest of the farmers that they should be brought nearer to the urban centres and should have the advantage of getting the newspapers and agricultural papers and the many bulletins on farm work which are distributed amongst the farmers here, I suppose, just as is done in the United States.

Mr. BURNHAM: What about the daily market reports?

Mr. LEMIEUX: The market reports are published in the daily papers, in just the same way as fishing intelligence is sent all over the country. Although the expenditure on rural mail delivery has increased to a remarkable extent, I am in favour of that channel through which to reach the farmers as I believe it is in their interests. Mr. Wilson used that channel in the United States, and I think he was the propelling influence in establishing rural mail and cheap parcel post in that country.

We all remember the discussion which took place in this House some years ago in regard to parcel post. I then ventured to predict that the tentative attempt made by the then Postmaster General, Hon. Mr. Pelletier, would be absolutely futile, and so it has proved. Although several officers have been appointed in the several cities of the Dominion to look after parcel post, parcel post as they have it in the United States really does not exist in this country. My hon. friend the Minister of Agriculture has always been courteous with members of this House, and has always been ready to take into consideration any suggestion a member might make in the interests of the farmer, and I think this is a question which he ought to tackle with the Post Office Department and with the Government generally. Give the farmers of this country cheap parcel post, and you will have practically solved the problem of distribution.

Mr. BURNHAM: Where parcel post for eggs and other perishable produce fell down was with the consignee. Who is going to guarantee payment by the consignee?

Mr. LEMIEUX: If my hon. friend will read the reports of the United States Post Office Department, if not the last one the one immediately preceding, he will see that the system has worked very satisfactorily there, and is earning large profits for the Post Office Department.

At six o'clock the committee took recess.

After Recess.

The committee resumed at eight o'clock, Mr. Blain in the Chair.

For the development of the dairying industries and the improvement in transportation, sale and trade in food and other agricultural products, $155,000.

Mr. BURRELL: I promised the hon. member for Middlesex (Mr. Ross) to refer to the work being carried on at Strathroy, and I shall put the information on Hansard. The statement of the work is as follows:

Entomological Laboratory at Strathroy, Ont.

The chief work carried on at this laboratory is a thorough study of white grubs and their control. These insects feed on the roots of grasses, destroying permanent pasture, corn, etc., and are also very destructive to potatoes. Strathroy was selected primarily on account of the large acreages of corn and potatoes grown in that region. This investigation on white grubs is being carried on in co-operation with the Bureau of Entomology of the United States Department of Agriculture with a view to covering the whole area in which damage from white grubs occurs, thereby obtaining the fullest possible information. In Canada we are investigating these insects at Ottawa, Strathroy, Ont., and Treesbank, Man. Already facts have been secured which enable us to advise farmers as to the best rotations to use and cultural operations to avoid injury from white grubs in districts where they occur. The

adult insects, known commonly as June bugs, are also injurious to shade trees, and large outbreaks occur every three years. This year they will be abundant in Ontario and farmers are being warned accordingly. By investigation outbreaks can be foretold. The officer in charge of the Strathroy laboratory is Mr. H. F. Hudson, who has been absent on military service overseas from November, 1914, to April, 1917. He was wounded and rendered unfit for further service and has recently returned to his former work at the laboratory. A temporary entomologist carried on the investigation during his absence.

The laboratory, like all other entomological laboratories, serves as a local bureau of information and assistance for the surrounding region, and Strathroy serves the farmers of Western Ontario.

The hon. gentleman from St. John (Mr. Pugsley) asked what we were doing in regard to transportation. We are practically carrying on the same methods as in previous years, namely, we guarantee two-thirds of the cost on cars for butter from starting point, and pay up to $6 for icing charges. On cheese we give no guarantee as to the earnings, but simply pay $6 towards the icing.

Mr. GRAHAM: Have you any record as to whether the production of cheese this year is low or high as compared with last year?

Mr. BURRELL: It is very similar. There was an enormous production last year on account of the very favourable conditions for our dairying, and at the present time conditions are just as favourable. There are certain difficulties in regard to labour, but we are looking forward to a very big production.

Towards the encouragement of cold storage warehouses for the better preservation and handling of perishable food products, $50,000.

Mr. GRAHAM: I observe a decrease in the vote, which would seem to indicate that not as many may take advantage of the aid as last year.

Mr. BURRELL: The reason is that in the initiation of the system the cost was very great. In the last few years many of the heavier payments have been falling off, and there have not been as many cold storages established, because the territory has been pretty well covered. Speaking from memory, we have only established three or four during the last four or five years, and in some of these cases, where the expenditure was very heavy, they have almost entirely completed their payments.

Mr. GRAHAM: Under this heading, it would not be inappropriate to ask the Minister of Railways whether the Government, in view of the discussion which has taken place, and in view of the admitted increasing very high cost of living, has given serious attention to the suggestion that the Government take over the cold storage enterprises of Canada, and operate them for the public good at the least possible cost. Even while we were discussing it the other night, the price of bread went up one cent a loaf, notwithstanding all the promises made by the Minister of Labour.

Mr. BURRELL: But it went down again. My hon. friend realizes, as well as I do, what an enormous proposition that would be to consider very seriously, because the cold storages scattered all over the country, apart from those assisted by the Government, represent a vast amount of money, and it would be very difficult for the Government to operate them. We are getting a lot of information in regard to the matter, and that has been done very largely under the Order in Council passed recently and which is being administered by the Minister of Labour. The Government is investigating the whole subject much more thoroughly than ever before, but I doubt whether it would be advisable to take over the whole cold storage system.

Mr. LEMIEUX: It seems to me, as the Government is seriously considering the nationalization of the railways that it would be far easier at the present time to nationalize the cold storage system of Canada. I think the high cost of living has reached such a mark that the people are expecting the Government to do something in this line. What are the regulations at present governing those cold storages at Montreal, Toronto, London, Winnipeg, and other large centres? Is there any authority on the part of the Government to release some of the food after a certain time, or can the owner of the cold storage establishment keep those products for what length of time he chooses? Really, the time has come when the Government should consider the question whether the food should not be released from cold storage. A charge is made against the cold storage—I do not say it is true—but the time has come when the Government should consider whether or not the cold storage plants should not be nationalized. Food has reached such a price that people cannot live in a reasonable way. It is impossible for a man who has a fixed income of, say, $1,000 or $1,200, and who has a family of three or four children, to live and provide for his family. This is a very

serious question, and I would like my hon. friend to tell the committee whether the Government really intend to do something in the matter. I am not revolutionary, I am not socialistic, I do not wish to grab any other man's property, but in view of the crisis through which we are passing, is it not time for the Government to seriously consider the propriety of nationalizing the cold storage system so that food may be released for the consumers at a reasonable figure?

Mr. BURRELL: The question which my hon. friend has raised is a very big one indeed. Even if, as he suggests, food in the cold storages were released, it does not follow that the conditions to which he has referred would be in any way relieved. If you were to take out the relatively small amount of food in the cold storages all over the country to-day, it would keep the population going but a very short time. A comparatively small amount of the food that is used is put in cold storage, and if the cold storages were actually abolished it is questionable whether food would be cheaper. I cannot believe that it would be very much cheaper. This is a very intricate question. We are to be provided with full information on this question, and that information will be laid before the House. But, in the meantime, I may say that taking over all the cold storages is almost like taking over a commercial line of business which involves going into every city and town of this country and practically conducting a business operation which would involve the Government in endless difficulties, and, in a sense, would involve it in more difficulties than the nationalization of the railways. You are taking hold of an ordinary business concern, dealing with the question of supply and demand with regard to all conceivable kinds of products, buying and selling, and I think my hon. friend, if he were to look into some of the difficulties surrounding that proposition, would realize that it is a very big one indeed. I am quite aware that the cost of living has gone up to a point where it is pressing on a great many people, and pressing very hard, and I need not assure my hon. friend that the Government, as well as every thoughtful individual in this country, is giving the whole matter an immense amount of consideration. But the difficulties are not such as this or any other Government can solve very readily. I am fairly familiar with what has been done in Great Britain and, to some extent, in France, Italy, and even Germany, with reference to the question of food control, but the difficulty has been so great that even where they had taken action they have had actually to reverse the action that they had taken. They have found immense difficulties. They are finding them in the United States. They are taking great powers but they admit that it will be very difficult to exercise those powers. The real reason is not that which has been touched upon by my hon. friend so much as the absolute world shortage of food supplies. In the present condition of Canada, as well as of the United States, the cost of the production to the farmers, owing to the tremendous shortage of labour, has been contemporaneous with the mounting cost of food supplies. The increased cost of production and the diminished amount of the product are to my mind almost entirely responsible for the increased cost of food and the increase is general. In every country in the world, the cost is the indicator really of the world's resources, and although it is true that here and there the speculative element may enter into the question of cost, yet, on the whole the mounting cost is an indication of the shortage that exists in every particular commodity. I am quite sure that throughout the world, and in Canada as well, that condition that my hon. friend alludes to is more directly traceable to the shortage of supplies and to the decrease in production than to any other cause. However, I can assure my hon. friend that we are giving consideration to this question.

Mr. LEMIEUX: I have here the index table showing the increase in the cost of living for the average family. According to the statistics gathered by the Department of Labour in sixty cities in Canada, in April, 1914, the cost for the average family was $7.51 per week. That is very low. In April of this year the cost had risen to $10.77 per week and, with the addition of coal, wood, lighting and rent, the total is brought up to $17.34. I have a list of the prices of various commodities. It is simply appalling and I do not know what the people can do to maintain themselves and to be cheerful under these circumstances. I do not wish to make any appeal that would savour of demagoguery, but I must say that it is a serious situation. The Government and Parliament are about to consider the nationalization of railways, and that is a very important question that demands an early solution, but is it not a fact that the question of food and the nationalization of cold storage is far more important than the nationalization of rail-

ways? You will have riots in this country next winter, you will have bread riots, if the Government do not take a firm hand now to control food. I was also referring a moment or two ago to rentals and the price of coal. I wish to give this warning. About ten days ago I was in New York attending a meeting as a director of a railway company which has subsidiary lines in Canada. The president of the Delaware and Hudson Railway Company, which takes care of most of the coal transportation from Pennsylvania to Canada, said to me: "I am amazed, Mr. Lemieux, to find that at this date we have not half of the coal transportation to Canada that we had last year or the year previous. What are you thinking about in Canada? You will suffer next winter if you have not your coal." But that is aside from the question. I simply wished to refer to that conversation to show that if the Government do not take with a firm hand the control and transportation of fuel and the control of food, they will have a very serious situation to contend with in Canada. It is the duty of the Government to see to it that such conditions do not arise. I am very sincere. The Government should take hold now of the cold storage situation and, if need be, make terms with the companies that are controlling the cold storage establishments; otherwise you will have riots in this country. I hope they will not occur but if the cost of living increases a few notches more, you will remember what I said this evening in the House. I do not wish that to happen, and I hope the Government will be patriotic and firm enough to boldly take this question in hand and settle it according to the best interests of the people.

Mr. C. A. WILSON: Would the minister give us some information about the exportation of food and especially of farm products to the United States and other countries? Has any action been taken by the Government? I am informed that along the north shore of the St. Lawrence river for the past few days dealers from Maine and Vermont have been going to the farmers and inducing them to sign contracts at a stipulated price for all their products for the coming year, eggs, fowl, sheep and cattle. I appreciate the difficulty of controlling such a situation, but I should like to know if the minister is informed of the facts and if any steps have been taken or are contemplated.

Mr. BURRELL: I have not heard of this matter. There is nothing under our present system which would prevent American dealers purchasing in Canada under such conditions, and making contracts with any farmers who wished to enter into them. I had not heard of the circumstances, but I shall make inquiries.

Mr. McCOIG: In the section from which I come there seems to be a very strong feeling that the Government should take some action to regulate the cold storage systems of this country, and I join with the hon. member for Rouville (Mr. Lemieux) in saying that the Government should not hesitate a moment to see that storing of food supplies in the different cold storage systems of Canada is regulated in some way. If the cold storage plants are allowed to continue to purchase at the present prices and to fill up their plants it simply means that the prices the consumers will pay next winter will be exorbitant, and the prediction of the hon. gentleman that there will be riots will be fulfilled. I feel satisfied that the Government do not wish that to occur. I had it drawn to my attention the other day, notwithstanding the statement made by the Minister of Labour, that in the different cold storage systems mentioned to me there are $4,500,000 worth of goods. The plants named to me were the Lindsay cold storage, Flavelle Bros. of Peterborough, the Harrison and Kincardine cold storage plants and the Harris Abattoir of Toronto, a subsidiary company to the William Davies Company. If that is true, and I feel satisfied it is, it is sufficiently important for this Committee of this House to investigate before we proceed to pass more money for this purpose. If there is to-day in the cold storage systems I have mentioned over four and one-half million dollars worth of foodstuffs, what will it mean next fall? It means that, with the price that is now being paid to the producer for eggs, forty cents at the farmer's door, the price will be at least double that to the consumer next winter. Eggs are only one commodity. There are other necessities of life concerned, and I feel that we would be justified in asking to have this item stand until the officers of the department investigate the statement I have made. I feel that the Department of Agriculture and the minister himself must feel that there is something radically wrong with the cold storage systems of this country when they are reducing the estimate by over $100,000. If the estimate is to be reduced by over $100,000 it must mean that the department are not in sympathy with the methods being adopted by the different systems, and this is a further reason why

we should ascertain whether the statements that have been made are correct or not. If they are correct, then it is up to this Parliament to take some drastic action and see that the consumers of this country are not held up as they are reported to be. There seems to be some foundation for the different resolutions that are being passed by consumers, by the labouring men and the people generally, throughout Canada. They feel suspicious that there is something radically wrong, and if such is the case, I believe that we would be doing only our duty in asking to have this item stand pending further investigation.

Mr. STEELE: This question of food supplies and the cost of living is one that seems to be continually with us, but I think it is about time that the members of this House and many of the people of the country should begin to take a sane view as to the causes of the high cost of living and of the supply of food. I might say that if the proposition of the hon. member for Rouville (Mr. Lemieux) should be seriously considered by the Government, they would find many of the cold storage men in Canada delighted with the prospect of having their cold storage plants taken over, because to-day many of them, and I speak now not of the larger ones of which I know nothing, but many of the medium and small cold storage plants, present a prospect of being white elephants on the hands of the owners. I can tell the minister that there is a cold storage plant in my riding, one of the very best in western Ontario, that he can take over any day at his own valuation—and the owners will be delighted to get rid of it. We talk of the high cost of living, but it seems to me that the old Adam remains in us yet, that we are not willing to take the blame that should lie upon ourselves, but want to cast that blame on this person or that person, or any person who will not resent it. Some people blame it on the farmer; when they have no other person to blame the poor farmer is attacked. I want to say to-night that the farmer is producing dairy food supplies to-day at a cost of about 75 per cent more than three or four years ago, and if the price has increased, surely the farmer is entitled to at least the increased cost of production. Then there are efforts, such as we have had here to-night and as we have had many times this session, to lay the blame on the cold storage people. The hon. member for Kent (Mr. McCoig) has just given us a statement which he says he has received that there are $4,500,000 worth of food supplies in the cold storage plants of this country at the present time.

Mr. McCOIG: That was in five which I mentioned.

Mr. STEELE: Then take the plants to which he refers. I regret that there are not $25,000,000 worth of food supplies in these plants at the present time. And why do I say that? The fact that there is only $4,500,000 worth of goods in these plants clearly indicates the alarming shortage of meats and dairy produce. $4,500,000 worth of goods would mean 10,000,000 dozen eggs, having regard to the present prices. How long would 10,000,000 dozen eggs last the people of Canada? I venture to say that if no more goods were placed in these cold storage plants during the period of a month, they would be empty at the end of that time. Undoubtedly prices next fall will be higher than they are to-day, not because the cold storage plants are hoarding food products for higher prices, but because they are unable to get them in sufficient quantities for an ample storage to provide for the shortage which must inevitably come next fall and winter. The farmers of western Ontario to-day get 40 cents a dozen for eggs, whereas they got only 30 cents at the same time last year. In fact, the cold storage men are indifferent as to whether or not they put eggs into cold storage. They are unable to export their eggs as they did to some extent last year, because they cannot get any guarantee of transportation across the Atlantic. For several reasons they are afraid to store goods under present high prices, because they know not what may happen before next fall which may subject them to great loss. They are paying considerably more for butter also than they did this time last year. I see nothing in store for us, therefore, except very much higher prices for dairy produce next winter than prevailed last winter.

Hon. gentlemen talk as if cold storage, particularly as relating to eggs, were a new system. As far back as I can remember, and long before that, eggs were preserved in the summer, when they were cheap, for use in winter, when they were expensive. Many hon. gentlemen will remember the old-fashioned method of pickling eggs and putting them in vats; thousands of dozens of eggs were preserved in that way. The preservation of eggs, therefore, did not originate with the cold storage plant; it is simply the method of preservation that has changed.

The remedy for the high cost of living rests not with the Government, although possibly the Government can do something. It rests not with the cold storage people, although possibly they can do a little, too. Nor does it rest with the working man, nor with the man of moderate means, who, after all, is the only man who during the last eight or ten years has been practising economy. The people of the other classes have been living most extravagantly; we are to-day living most extravagantly. An American authority on this subject recently said that there is no reason why every family, excluding, of course, the classes which I have mentioned, should not be able to reduce the cost of their foodstuffs by at least 50 per cent, and at the same time nourish their bodies just as well. Look in our restaurants, our hotels—yes, in our homes—and see the waste of food that takes place from time to time. There is an opportunity of saving foodstuffs; there is a means by which we can reduce the cost, because as the supply increases, prices are reduced. The most effective way of reducing the cost of living and of increasing the supply of foodstuffs is by avoiding waste and extravagance. But the selfish spirit naturally asserts itself. We would rather criticise the Government or the cold storage people than practise self-denial and disappoint our appetites and desires. Individual cold storage concerns may be deserving of criticism, but instead of criticising them as a class, we ought to encourage them. I would almost go so far as to say that the Government ought to give them a little assistance in their efforts to provide against the scarcity of food which must ensue during next fall and winter.

Mr. GLASS: The hon. member for Rouville (Mr. Lemieux), supported in his view by the member for West Kent (Mr. McCoig), advocates the nationalization of cold storage plants as a panacea for all the ills resulting from the high cost of living. To my mind, the member for South Perth (Mr. Steele), has expressed a sound view as to the chief cause of the rise in prices. The waste of foodstuffs is not confined to Canada; in the United States the annual waste runs into many millions of dollars. If an educative propaganda were encouraged amongst our people along the lines of the conservation of foods and the avoidance of waste, a large amount of food otherwise lost would be preserved and the shortage in food supplies thereby diminished. There are one or two large cold storage plants in the city of London. In an address given on Saturday last to a women's organization in that city, the manager of one of those institutions, referring to the charge made against them of hoarding foodstuffs and making enormous profits, said that the profit on their output last year was not more than one per cent. No one can honestly say that this is an exorbitant and unreasonable profit, having regard to the risks involved and the amount of capital invested in a business of that kind. This gentleman stated also that on January 1 last, every egg in their plant had been sold and that from that time until the new supply of eggs was brought in by the farmers, they had to import their supplies from the United States. I do not appreciate the argument that the nationalization of cold storage plants will remedy the difficulty. I rather agree with the member for South Perth, that a further increase in the cold storage plants might be of benefit to the community. Cold storage is a kind of balance wheel to equalize prices by conserving goods during the months of plenty so that they may be available during the months when very little is produced. Last winter a farmer who had a large number of hens said that during a period of three months he had not received $2 worth of return from the eggs laid by hens which during that period had cost him over $200.

Neither nationalization of cold storage plants, nor all the legislation this Parliament can pass, will make the hen lay in the cold winter months. There are seasons of plenty and seasons of scarcity, and the best policy to pursue is to give the greatest possible encouragement to preserving our cold storage plants so that the cost of perishable commodities may be kept at a reasonable rate during the lean months. The hon. member for South Perth (Mr. Steele) alluded to the quantity of food stored in these few cold storage plants, and he very rightly said that he wished the quantity had been considerably larger than it was. I agree with him that four or five million dollars worth of food products stored in these cold storage plants, which are the largest plants in the country, is not an exorbitant amount. The output of one of the five plants to which he alluded amounts to $3,000,000 a month or $36,000,000 a year. If the output of the other four plants is in proportion to that of this plant, then the quantity of food in cold storage in these plants is not unreasonable; in fact, it is considerably less than it might reasonably be expected to be. The important thing for

the Government to ascertain in relation to these cold storage plants is not the quantity of food stored in them; it is the quantity of food products which have been hoarded for such a length of time as to become waste. I do not know whether the Minister of Agriculture or the Department of Labour or any other department receives information as to the quantity of food in cold storage from time to time, but if it be found that these cold storage plants are hoarding food for such a length of time that it deteriorates to such an extent as to become useless for food, then the question is serious, and the Government should take steps to prevent such hoarding. It cannot, however, be profitable for cold storage plants to commit such a folly as to allow their commodities to go to waste. The basic cause of the whole matter is want of production. The other night when I attended a meeting of the farmers in my district, they were referring to the Government's campaign of production and to the encouragement the cities were giving to production, and they made this significant statement from which we cannot get away: You may sow the seed; you may till the soil; you may increase the acreage from which production is to be derived; but if Providence does not favour you with the proper weather, the work will be in vain, and it is beyond the power of human endeavour to prevent that. The farmer, however, must take the view that the fact that such a calamity may occur, does not relieve him of the duty he owes to his family, to himself, and to the Empire, to prepare as much land as he can and to seed it, and having done his part to that extent, he will have done his duty. In all parts of western Ontario there is this year a very largely increased acreage prepared for crop and seeded; there is a spirit of optimism prevailing amongst the farmers of that district, and they are endeavouring to produce all they can. There is also a spirit of patriotism or of appreciation of the need of increased production in the business communities of the cities and towns, and the statement was made the other day that already in the province of Ontario 6,000 boys from the high schools are voluntarily serving on farms in that province. The question may be asked: what help can a lad of fifteen be? But, the experience of last year when these boys worked on the farms under the same conditions has shown that they have given the farmers satisfactory service, and the farmers who had those boys last year are among the very first to ask that boys from the high schools be sent out again. They say they prefer the continuous summer service of a good lad of fourteen, fifteen, or sixteen years of age, as the case may be, to the short term of service of a clerk from the city. In the city of London a number of business men have volunteered to release their employees for service on the farms, and that has been encouraged by local organizations such as the "Patriotism and Production" organizations or "Greater Production" organizations, as the case may be, and these organizations have been backed by the Canadian Club, Rotary Club, and so on, and the business men are thoroughly alive to the necessity of doing everything possible to ensure this year's harvest. If we are favoured by Providence with suitable weather, I do not entertain the serious view of my hon. friend from Rouville (Mr. Lemieux) as to the possibility of riots, at least in that part of the country. There is no doubt, however, that eggs and butter and produce of that kind will be higher during this winter. Eggs purchased at 36 cents a dozen in that district are going into cold storage now, and they will necessarily be re-sold in the fall or winter months at a higher price, but that does not mean that that produce will be forced up to an unduly high price. What would happen if those eggs were not put into cold storage? The fact that the price is high at present is a boon to the farmer, but I do not know that he is any better off than he was when grain and other food which he has to feed to his poultry were cheaper. We have to face the condition of things that exists, and as putting eggs into cold storage is not going to reduce the production of eggs, the only factor of interest is whether these eggs being put into cold storage are going to be destroyed for use as food. That would indeed be a serious calamity and it would affect the price. I would rather say, with my hon. friend from South Perth, that the Government might assist the matter by giving the greatest possible encouragement to cold storage plants instead of destroying them, and I do not see how the nationalization of cold storage plants is going to affect the price of food.

Mr. OLIVER: The committee must have been struck by the solution which our two hon. friends have offered to the problem of the high cost of living, namely: Do not eat so much.

Mr. STEELE: Do not waste so much.

Mr. OLIVER: To my hon. friend from South Perth I would say that if he feels

he is too extravagant in his expenditure, that is his affair, and I should be glad if he would speak for himself and not include me in his suggestion, because I have no guilty feeling along that line at all. I do feel, however, that I pay more for what I get than I ever did before, but I do not admit that I am getting more than I ever did before or more than I am entitled to. I do not suppose that the principle of cold storage as an economic proposition needs any defence at the hands of anybody. No one is attacking the economic propriety of the cold storage system. Neither is anybody suggesting that the farmer should not receive as high a price as he can get for his products. If I correctly gathered the sense of the suggestions of my hon. friend from Rouville and my hon. friend from Kent it is not to the farmers' prices or to the use of cold storage that exception is taken, but the question is raised

9 p.m. as to the manipulation of prices by or for the benefit of those who control the cold storage plants. That is the question at issue in the high cost of living that is interesting to members of Parliament and to the country, and to which they desire to call the attention of the Government. If the consumer only pays what the producer got, plus charges for carrying and other services rendered, nobody has any fault to find; but if the consumer pays what the producer received plus charges for carrying and other services rendered, and also an exorbitant profit, the result of the manipulation of the market, then there is cause for complaint, and we desire to draw the attention of the Government to the possibility of the existence of that condition, and demand correction of it at their hands.

We have had a sufficiently startling instance of manipulation of food prices during the last few months with regard to western wheat. It has already been stated to the House that the wheat left the farmer's hands at a price of from $1.20 to $1.80 per bushel, but the consumer has to pay for that flour on the basis of $3 a bushel or over. The farmer does not get that price, but the consumer pays it. Service was not rendered for that difference in price; it is simply a matter of manipulation resulting in financial benefit to those who are in a position to control the supply of wheat. What has occurred so markedly in the case of wheat is, we believe, occurring every day with regard to those foods which are the subject of cold storage. We believe that the opportunities that necessarily come to those who control cold storage operations, not necessarily the owners of the plants, are taken advantage of by those in control of cold storage operations, in the manipulation of prices for their own benefit and to the cost of the consumer. There are many questions facing the people of this country at the present time. I think everybody will admit that to the city dweller at any rate the high cost of living is one of the most pressing problems he has to face. That being the case, it is the business of the Government of this country to take such measures as can be taken for the purpose of securing an amelioration of that condition. Now, if it is the fact that five cold storage plants in the province of Ontario handle the amount of food that they are said to handle per month, it must be quite obvious that practically the whole food supply passes through these plants and is subject to manipulation at the hands of those in control of the plants.

Mr. STEELE: Do I infer that my hon. friend thinks the people of this country make use of only $4,500,000 worth of such goods per month?

Mr. OLIVER: What I say is that $4,500,000 of such goods per month is a very important part of the food supply of that section of the country where those plants are operating, and I am satisfied that the operation of those plants in large measure fixes the price of food to the people of that part of the country, just exactly as the manipulation of wheat last spring fixed the price that my hon. friend has to pay for the flour he buys to-day. It being an admitted fact that such a large proportion of the food supply passes through those plants and is therefore possibly subject to undue manipulation for the benefit of those who control these operations, these plants being under the responsibility of this Government, and many of them, I believe, receiving aid in actual money from the treasury of this country, it is the paramount duty of the Government, and I would say even before this item passes, to satisfy this House and the country whether or not there is such manipulation of prices of the food products going through these cold storage plants. This question of the high cost of living is with us; it is here now; it is pressing, and it will become more pressing from day to day. If there is an actual scarcity of food in the country then that scarcity makes the food supply still more and more susceptible to manipulation for the profit of those who hold and control it, and therefore makes it still more necessary that there should be an investigation of the facts of the case.

My hon. friend from Middlesex said that if it should be the case that food is unduly withheld from the market for the purpose of enhancing the price, that would be an abuse. Surely it would be an abuse, and it is an abuse that is known to have occurred in the past, when the conditions of stress that prevail to-day did not obtain. We ask that in the conditions of stress that exist to-day this country be given the guarantee of the Government that such a condition does not now exist—a guarantee that there is no holding up of the food supply of the people for the purpose of unduly enhancing the price, either by causing undue waste or simply by holding back the supply, thereby causing the people who eat three times a day to pay more for the food they eat. I urge upon the minister that he appreciate the importance of this question to the people, and that under the authority that is vested in him—and it is vested in him by the act of this House—he take measures to satisfy the House and the country that there is no undue manipulation of the food supply under pretense of giving it the economic advantage of cold storage.

Mr. BURRELL: This question has been discussed from time to time. While I do not agree with some of the remarks made in connection with cold storage, I am free to admit that there are some elements of speculation in it, as in everything else. I do not consider four and a half million dollars worth in these large storages a very formidable quantity, because, as a matter of fact, that quantity would only feed the people in the country for one day. In the United States there are enormously greater cold storages than in this country. In Boston the biggest cold storage in the world is situated, but it has been estimated that if you distributed the whole of the contents of that cold storage among the people, it would last only four or five days. So that, having regard to the food supply of the people, the quantity in these cold storages is very small. My hon. friend from Kent (Mr. McCoig) mentioned several cold storages but he was astray when he referred to the cold storage at Lindsay, because it was burned down last year. Practically all the contents of that cold storage were sold in England by the farmers at a reasonable price, and they were glad to get that market. We want to encourage our export trade to Great Britain, and a considerable portion of the large amounts in all the cold storages of the country is held for export trade till such time as is best for delivery. I am not disputing the soundness of my hon. friend's proposition that this matter should be investigated. I desire to repeat that, under the Order in Council passed under the War Measures Act some time ago very great powers were given to the Minister of Labour to investigate this particular subject, and I understand that he instituted an examination into the cold storage systems of the country as to when the stocks were put in, at what price they were held, and all the details. If this information is withheld by them, he has the power to compel them to furnish it. When he gets that information it is the purpose to enforce such regulations as will meet the suggestions of my hon. friend. While I do not agree with all my hon. friend says, I am anxious that any existing wrong should be remedied.

Mr. OLIVER: When was the work of collecting this information begun, and when may it be expected to be finished?

Mr. BURRELL: Perhaps the Minister of Labour can answer. The cold storages we have subsidized and over which the Government has control is very limited, and this vote of $50,000 only applies practically to those who are finishing up their payments, which have been spread over six years. I think most of them have completed the payments.

Mr. LEMIEUX: A vote was passed by my hon. friend's predecessor in office in regard to cold storage in connection with butter. Is that still in existence?

Mr. BURRELL: That is in the other vote and is for the establishment of cooling apparatus.

Mr. LEMIEUX: Was it taken advantage of last year?

Mr. CROTHERS: In answer to the question asked by my hon. friend from Edmonton, the Order in Council to which reference has been made, was passed on the 10th November. We at once proceeded to get ready to make the inquiries authorized by that Order in Council, and the work of sending out questions was begun in the latter part of December. Last night or the night before I gave the House samples of the questions sent out to the different wholesale and retail men and manufacturers. We first took up anthracite coal, which appeared to be a more pressing matter than any other. That was followed

by questions in regard to sugar. We asked questions runing back for four years, as to the quantities on hand at a particular date, the cost, the amount of sales during that year, and we required them to send us a monthly statement as to the quantities on hand, what it cost them, the quantities sold and the prices at which these quantities were sold. For instance, we sent out 300 questions to the leading dealers in anthracite coal throughout the country. We got returns from them under very searching forms of oath. Sometimes these returns were not very satisfactory, and we required further and better answers to the questions. After correspondence, we received what we believed to be satisfactory and truthful returns. We are getting monthly returns now of the quantity of coal each man has on hand at the beginning of the month, what it cost him, how much he bought during the month, and what he is selling it at. I went into details in regard to sugar the night before last. We came to the conclusion that the profits on sugar, for instance, were not unreasonable, averaging generally about fifty cents a ton to the retailer. We got the price of coal at the pit's mouth, the freight on it, the cost of delivery, the cost of overhead charges, and so on, and checked the answers we got from each individual by information we had at our disposal from other sources. It is well known that the chief element governing the price of sugar is the cost of the raw material, which has gone up in price 100 per cent since the beginning of the war. The freight on sugar from Cuba has risen from nine cents to seventy-six cents a hundred pounds. The coal used in connection with the refineries has doubled in price. The chemicals that they use in refining sugar have gone up 300 per cent. Bags and packages have gone up in price. Labour has materially increased since the beginning of the year. Two of the refineries in Canada made no profit at all. One was operated at an actual loss. Another made only sufficient to pay interest on the bonds. On the whole, their profits amounted, on the average, to about a fifth of a cent a pound on sugar, which would not be regarded as a very great profit. The last price fixed for sugar was $8.35 a hundred to the wholesaler. Sugar is being sold by the retailer in a great many cases at 9 cents and in some cases, at 10 cents a pound, the man having paid $8.35 per hundred for it.

As to cold storage, we have gone into that question very thoroughly. The hon. member for West Kent (Mr. McCoig) a few nights ago, made a statement in the House that a certain company, perhaps the largest in Canada, operating cold storage, was seeking insurance on commodities aggregating in value about $2,000,000. That seemed to be a large sum of money. I am informed by the president of the company that that statement had no foundation in fact, that they are insured every day according to the amount they have in store, and that it varies from day to day. I have a full statement of that company's business. They have three concerns, one in Montreal, one in Toronto and one in Winnipeg, and we have the particulars of all their business, including beef, bacon, pork, cheese, butter, eggs, fish, and some small articles. We have the details, and we have the amount they actually had on hand at the time the statement was made up. The last statement we got was about the first of April, showing the quantity they purchased every month, the amount on hand, the details of the quantities of these different articles purchased and on hand, the prices they paid and the prices at which they are selling them. This evidence shows that if they had $2,000,000 worth of commodities on hand, that would be a very small amount for them and would not last them for half a month.

Mr. McCOIG: If they had $3,000,000 of stock on hand it would not be surprising that they should ask for $2,700,000 of insurance, because that amount of insurance would not be out of proportion.

Mr. CROTHERS: The president of the company informs me that they had never made application for $2,000,000 of insurance at the same time.

Mr. McCOIG: The statement was not made that they were asking for that amount from any one company, but that they were placing that amount of insurance on their stock with different companies in proportionate amounts, not one amount.

Mr. CROTHERS: I am told by the president of the company that it is not so at all, that they have not asked for insurance to that extent at any particular time from any company or any number of companies. They are insured from day to day as the amount in the storage varies, and it would not likely vary to the extent of $2,000,000 in a day. That company is one that, I am told by the president, does a business amounting to about $1,000,000 a week. According to our last report their business for a month

amounted to about $3,000,000. We have every month a statement of the amount bought, the quantity in hand and the selling price. They were turning over about $3,000,000 a month at the time of the last statement, and I am told by the president now that they are turning over $4,000,000 a month; so that $2,000,000 worth of stock on hand would be only half of what they required for the next month. They are largely exporters. I laid on the Table today a report from the commissioner who has been devoting his attention to these inquiries. I laid on the Table reports, which will be found very interesting, concerning anthracite coal and refined sugar. The commissioner has in preparation a report touching cold storage, which will cover every cold storage in Canada. Others will have reference to the canners, flour, ice, bread and potatoes. These reports will follow at no distant date. If hon. gentlemen have time to look over these reports they will find them very interesting. I think they ought to be printed and sent out to the people, so that they will see what the exact facts touching cold storage and all these other commodities I have mentioned are. We are satisfied that there is no such thing as withholding in cold storage for the purpose of enhancing prices in the future. Prices are so high now that the keeping in cold storage of a large quantity of these commodities would become useless and would not be warranted. We have a provision in this Order in Council prohibiting the withholding from sale, or accumulation, of any quantity more than a man requires for his own use or for the ordinary purposes of his business. He is bound to sell to the public. Perhaps the committee will bear with me while I read again what I read the night before last—clause 3 of this Order in Council. It is in these words:—

No person shall accumulate or shall withhold from sale any necessary of life—

That is defined as including food, fuel and clothing—

—beyond an amount thereof reasonably required for the use or consumption of his household or for the ordinary purposes of his business;

(2) Every person who shall at any time hold any necessary of life beyond an amount thereof reasonably required as aforesaid, and every person who shall hold for the purpose of sale, whether as manufacturer, wholesaler, jobber, retailer or otherwise, any stock-in-trade of any necessary of life, shall offer for sale the said excess amount, or the said stock-in-trade, as the case may be, at prices not higher than are reasonable and just.

Mr. McCOIG: Has there ever been a conviction under that clause of the Order in Council?

Mr. CROTHERS: There has been no conviction under it in so far as I am aware, but there is nothing to prevent my hon. friend from West Kent, if he knows of any violation of the section, proceeding with the prosecution of a man for such violation.

Mr. McCOIG: I called the minister's attention to a tobacco case and the minister told me to tell the man who was affected to go ahead but refrained from doing it himself. It is for the Government to do it.

Mr. CROTHERS: I do not remember receiving any letter from the hon. gentleman concerning tobacco, but I have no doubt it is true if he says so. But tobacco does not come within the provisions of this Order in Council.

Mr. OLIVER: Is tobacco not a necessary of life?

Mr. CROTHERS: It may be but it is not covered by the term "necessaries of life." That term simply covers food, fuel and clothing. My hon. friend (Mr. McCoig) thinks the Government ought to proceed to prosecute. He knows very well that it is not the duty of this Government to proceed, in so far as criminal, or quasi criminal, laws made by this Parliament are concerned, except where the violation of such laws affects directly the revenues of the country. It is the duty of the provincial governments to enforce the criminal law made by this Parliament. If a farmer in my hon. friend's constituency had one of his horses stolen he would never think of writing down to the Minister of Justice at Ottawa, or to the Minister of Labour, to ask him to prosecute John Brown for stealing his horse. He would go to the county crown attorney of Kent whose duty it is to look after such matters. If there has been any violation of the law concerning tobacco, it is up to the local authorities to prosecute. No Government has ever undertaken to prosecute in such cases. Fancy this Government undertaking to prosecute somebody in Nanaimo, Vancouver Island, for violating the provisions of this Order in Council in regard to milk. As I said a moment ago, that is the provision to prevent withholding. Under section 9, provision is made for prosecuting in a case of that kind.

Mr. MEDERIC MARTIN: Referring to section 6, when that Order in Council was

passed, it would have been much better if the Government had named a commission or to make inquiry in all Canada as they have done in the United States on entering the war. Such a commissioner would take an inventory of each item in cold storage and make a report to the Government. The minister said a few moments ago it is the duty of the provincial government or the municipality to take up that question. I do not think so. I think that this Government, before passing the Order in Council, should have named a commissioner to make an inquiry not only in one or two cities but throughout the whole country. That was the duty of this Government, not of the provincial government or municipality.

Mr. CROTHERS: I shall be glad to come to my hon. friend's question in a moment. I was about to show the provision of clause 9 which might be applied in case of a violation of clause 3, which I read because the hon. member for Edmonton (Mr. Oliver) raised the question. Clause 9 is in these words:

(1) Any person who contravenes or fails to observe any of the provisions of these regulations shall be guilty of an indictable offence and liable upon indictment or upon summary conviction under Part XV of the Criminal Code to a penalty not exceeding five thousand dollars, or to imprisonment for any term not exceeding two years, or to both fine and imprisonment as specified; and any director or officer of any company or corporation who assents to or acquiesces in the contravention or non-observance by such company or corporation of any of the provisions of these regulations shall be guilty personally and cumulatively with his company or corporation and with his co-directors or associate officers.

There is a provision in this Order in Council that no prosecution shall be held anywhere without the consent of the Attorney General of the province. In case of a violation of this section 3, I think it is quite clear, that a man having a cold storage plant would be bound to sell at a reasonable and just price to men to whom he would be selling in the ordinary course of business. I do not think he would be obliged under that clause to sell to a private individual, as he is not a retailer, but I think he would be compellable to sell to a wholesale man at a reasonable and just price, and he would be violating the provision of that clause if he withheld more than was necessary for his own use or for use in the ordinary course of his business. I might call the attention of my hon. friend from Montreal (Mr. Martin) to a few words in subsection 2 of section 3. One of the officers of the city of Montreal pointed out

[Mr. Martin.]

the difficulty of proving the excess amount referred to in that clause. The gentleman criticising that clause lost sight altogether of the words "or the said stock in trade." It is not confined to the excess that he would have over and above the amount he would usually have in his possession in the ordinary course of business or for the use of his own family; he is bound to sell not only that excess but the stock in trade, so that if a man in the ordinary course of his business was selling coal and refused to sell a portion of his stock in trade at a reasonable price, he would, I think, be clearly violating that provision of the clause, and with the assent of the Attorney General of the province, the municipality could proceed under section 9 to his prosecution.

Now as to the question raised by my hon. friend from Montreal: Section 4 of this Order in Council authorizes the Minister of Labour to make investigations all over the country, not in any one particular place, and section 5 authorizes the municipality to make an inquiry touching matters affecting its own people. While we have not confined our investigations entirely to such larger questions as affect the whole Dominion, it was thought well to give the municipality power to inquire concerning matters within its own boundaries, and that it would not be practicable for us at Ottawa, for instance, to inquire into a complaint at Nanaimo as to the cost of milk there. And so section 5 was provided in these words:

Whenever the council of any municipality shall declare by way of resolution that in its opinion excessive prices are being demanded within the limits of such municipality for any necessary of life, such council may, by notice in writing under the hand of its clerk or other authorized officer, require any person dealing within the municipality in such necessary of life, and locally situate therein, to make and render unto such council within a time set in such notice, and such person shall make and render unto such council, precisely as required by it, a written return under oath or affirmation, showing in detail—

I need not give the details of the questions they are thereby authorized to ask and to compel answers under oath. If these answers come in and are not satisfactory, the municipality, under section b of section 5, may apply to the Minister of Labour to press the investigation further, and further investigation may be made by the Minister of Labour himself or by any one whom he authorizes in writing to take evidence under oath and to require the dealer to produce his books and all that sort of thing under section 6.

But I have notified all the large municipalities in Canada, including the one my hon. friend has the honour to represent, the city of Montreal, that if they comply with section 5 and request me by resolution of the council to authorize one of their officials, the city solicitor or any other official of the municipality, I will authorize him under section 6 to proceed with the fuller examination that I am authorized under that section to make, and any such officer so authorized by me in writing could call witnesses, examine them under oath, compel the dealer to produce his books and investigate the whole matter, and so the officer of the city of Montreal or any other city would have the investigation under his own control. That is in connection with matters that affect a city alone. A municipality is not given authority to investigate these larger questions that affect the whole country, we invesigate them. As I said, we have not confined the power of investigation to our own department; we thought it convenient to authorize the municipality to deal with matters within its own boundary. For instance, we have a great many complaints about the cost of milk and bread. Unless we had a staff of officers of about 100 or 200 we could not undertake to inquire into these questions in every city, town and village in Canada. We give each municipality that power, and some little time ago I proposed to enlarge their powers because some of them said it was necessary to examine witnesses under oath and make the merchants show their books. I notified them by circular letter that, as I was authorized under section 6, I would confer that power on any officer of the municipality whom they might name so that they might proceed in these investigations without any further reference to us. It is easy to say that this Government ought to do that sort of thing, but we do not do it, it is no part of our duty to do it. It is necessary to get the consent of the Attorney General before prosecution can be made, as, for instance, under the Lord's Day Act. No prosecution under that Act can be made without the consent of the Attorney General of the province in which the offence is said to have been committed. So it is under these regulations. I think that the facts regarding cold storage are not generally known. I hope to be able to lay on the Table in a few days a full report concerning cold storage. I shall ask the House to have it printed, together with these other reports, in order that they may be circulated. I am sure that they will throw a great deal of light upon these questions, which the people naturally do not know so much about, because they have not the time or the opportunity to inquire into the details.

Mr. McCOIG: The Minister of Labour has read the Order in Council which has been passed regulating cold storage companies and other concerns that hold foodstuffs to the disadvantage of the consumers. The minister admitted that no convictions have been made under this Order in Council. He assures me that any person who has been held up by the food trusts can take action. But the common people cannot conveniently take action against large corporations, for they would get into lawsuits and incur a great deal of trouble and expense. The high cost of living and the storage of food supplies should be regulated by an officer of the Government. The Government appointed officers to enforce the war tax measure, which is not of as much importance to the common people as this Order in Council. The officers appointed in connection with the war tax measure were sent around as detectives to purchase articles in a kind of sneaking manner, under circumstances not creditable to them or to the Government. These officers purchased drugs and other small articles from merchants in the back concessions and in the outskirts of small cities and towns with a view to securing convictions for lack of compliance with the Act.

Mr. CROTHERS: My hon. friend represents a constituency in which beans are grown to quite a considerable extent. I understand that beans are now selling at $5 a bushel.

Mr. McCOIG: May I correct the minister? They are selling at $10 and $12.

Mr. CROTHERS: All the better for my argument; I remember when they were selling at 45 cents. Would my hon. friend desire this Government to pass an Order in Council prohibiting any farmer in his constituency from selling beans at a higher price than $3 a bushel?

Mr. McCOIG: The minister seems to be wandering. I was not talking about beans or the price of beans.

Mr. CROTHERS: Will the hon. gentleman answer the question?

Mr. McCOIG: The question does not bear on this subject. For my part, however, I shall be delighted, if the minister will give me the assurance that we will get even $3

a bushel for our beans, to put in thirty acres this year instead of fifteen, as I had intended.

Mr. CROTHERS: That is no answer to the question.

Mr. McCOIG: I do not understand the minister's point.

Mr. CROTHERS: I thought I made it plain. Do you desire the Government to pass an Order in Council fixing the price of beans to the farmer in West Kent at any amount you may think fair, say, $3 a bushel?

Mr. McCOIG: If the minister will let us know how long he will guarantee to do that I will soon give him an answer—in respect of beans, wheat, or anything else. If he will make himself energetic enough to assure us a price of $3 a bushel for beans, $2 for wheat, or any other reasonable price for the commodities we produce, and guarantee that they will not go into cold storage, or into the hands of speculators, and that the consumers will get them at the difference between that price and the cost of putting the produce on the market, we shall be satisfied.

As I was saying, the Order in Council sounds good. But I am pointing out that the Government have appointed officers to enforce other measures—in a manner not creditable to this Parliament or to the Dominion. Under the War Measures Act grocers handling patent medicines are compelled to put a two-cent stamp on every 25-cent article sold. A number of such officers as I have referred to were appointed by the Government in connection with the war tax measure. Would it not be much better to appoint officers to see that the terms of this Order in Council are properly enforced? The Minister of Labour, who has the patronage in the southwestern part of Ontario, will not be proud when I assure him that I have here a summons sworn out by Hermann J. Dager, an officer of this Government. This gentleman went into a store in the back part of the city and bought 25 cents worth of health salts from the boy who was employed to deliver parcels, the storekeeper and his clerk being absent. He then proceeded to lay information against the storekeeper before a police court magistrate for non-compliance with the war tax measure, and had the man fined $50, $25 of which went to the officer himself. In another case he bought a 25-cent bottle of electric oil from a girl who was employed as a clerk. He fined eight storekeepers on the back streets of the city of Chatham and a number of storekeepers throughout the county of Kent. One storekeeper whom he fined $50—$25 of which went to himself, the rest I know not where—was a man who had one son killed at the front and whose other boy, who had been running the store, had gone overseas. The minister may smile, but is he proud that the officers of the Government are taking advantage of the people in that manner and causing hardship among so many small storekeepers in different parts of the country? The fact is that a minor matter is looked after by certain officers who are engaged to prosecute offenders, while the enforcement of regulations in connection with a matter of vital importance to the people is left to private persons. That is the position exactly, and that is why I wish to draw the attention of the Minister of Labour to the state of affairs. If he is serious in regard to this Order in Council he will see that officers are appointed to enforce it.

Mr. CROTHERS: I do not think my hon. friend displays very good logic. One moment he says that we ought to appoint officers to enforce this Order in Council; the next moment he says that officers that are appointed act very improperly.

Mr. McCOIG: No. I said you could get officers to enforce this law, but you could not get officers to enforce one more vital to the people of this country.

Mr. CROTHERS: I explained a few minutes ago that this Government does enforce the laws concerning the revenues of the country and those laws only. We enforce the Customs laws and the Inland Revenue laws. This legislation refers to another department of Government. I know nothing about the gentleman to whom the hon. member refers as an officer and I did not recommend him. It is, however, necessary to have some penalty for enforcing that law putting a tax on certain kinds of drugs, and if a man violates that law, he is subject to the penalty imposed by the statute. If I remember aright, my attention was called to one extreme case, and after I looked into it, the amount of the fine was refunded. The better course for my hon. friend from West Kent (Mr. McCoig), instead of making charges against the Minister of Labour, who has absolutely nothing whatever to do with the enforcement of this war tax, would be to lay a complaint before the Minister of Inland Revenue, and the hon. member would then put himself in a position to get a remedy if anything improper had been done.

Mr. VERVILLE: The Minister of Labour to-night has, as usual, read the whole Order in Council, and we now know it practically by heart. Would the Minister of Agriculture state the rate that is charged for eggs in cold storage per dozen per month?

Mr. BURRELL: I did not know that my Estimates were coming up to-night, and as my special officer has left town, I am afraid I cannot give my hon. friend the figure to-night, but I will give it before I get through with my Estimates. We do not receive information as to the rates except in those plants which receive subsidies from the Government. In those cases, we fix the rates, and if there are any complaints, and if on investigation we think the rates are improper, we alter them, and we have done so from time to time. There is a special tariff for each warehouse that has been subsidized.

Mr. VERVILLE: I do not know the exact rate that the cold storage plants may charge to-day, but not long ago I gave to the House the rates charged for storing eggs and many other commodities. The rate on eggs at that time was one and one-half cents per dozen per month including insurance, and while the rate may have been increased somewhat since then, it cannot have been increased to a very great extent. It is easy enough for my hon. friend to calculate the amount of profit these cold storage people are making when he knows the exact rate of storage, and he will find that the profit on eggs and many other commodities in cold storage is exorbitant. Some years ago I stated in the House that cold storage plants are absolutely necessary. When they were first organized, they were organized for a good purpose, namely, to preserve in cold storage a certain quantity of goods that would be of use to the people in certain months of the year, and some of those cold storage warehouses were subsidized. Instead, however, of using their plants for this purpose, these cold storage people have exploited the public at large, and I believe the Minister of Agriculture, although he may not have the exact figures, must know something about that matter. The minister switched us off a moment ago to the Minister of Labour, and, of course, the Minister of Labour spoke in regard to something else altogether; he spoke of coal, sugar and other things which do not go into cold storage. Last year the best cold storage we had was the home of the poor working man when coal was $15 a ton.

Mr. GAUVREAU: Is that cold storage under the control of the Government?

Mr. VERVILLE: The Minister of Labour states that, according to his information, the price of coal is not too high having regard to the increased cost of production and so forth. Anthracite coal was sold last year at fifteen dollars a ton, and that coal did not cost any more then, and perhaps a good deal less, than it does to-day. Why then are the dealers allowed to sell coal at such a high price? My hon. friend says that in the fall we shall be able to buy coal at a reasonable price, but we shall have to wait until then to see whether it is the case or not. I have more confidence in the Minister of Agriculture in regard to the question of foodstuffs, because he studies these questions, than I have in the Minister of Labour who seems to switch off every time. If we say that the cost of living is too high and ask for the appointment of a food controller, the Minister of Labour will read the Order in Council for about an hour and that is about all we get out of him, but when I address myself to the Minister of Agriculture, I really believe he is going to do something.

Mr. CROTHERS: Hear, hear.

Mr. VERVILLE: The minister did not say that the other night because he said he was against it—

Mr. CROTHERS: Against what?

Mr. VERVILLE: Against appointing a food controller.

Mr. CROTHERS: I did not say anything of the kind.

Mr. VERVILLE: Is the minister in favour of appointing such an officer?

Mr. CROTHERS: Yes.

Mr. VERVILLE: Well, we have gained that much information in twenty-four hours. As regards the Order in Council granting power to municipalities to investigate, the minister has appointed a commissioner to look into the matter of the high price of potatoes. The commissioner started at Ottawa, and I am informed that he found a case against one of the potato dealers, but I understand he was prevented from proceeding. I understand the head of that large institution, the potato trust, if you call it such, happened to be somebody from New Brunswick, who, it was reported, should not be touched. The price of potatoes, however, is still advancing.

The other day my hon. friend sent somebody down to Montreal to find out why the price of flour had increased to $15 a barrel, but we have not heard anything more about it. My hon. friend says he has sent out questionnaires to all the big companies and cold storage plants in the country, but before the replies come in it is very likely that we shall have another crop and probably two. I am informed by the city attorney of Montreal, who is a pretty good lawyer, I believe, and by the chairman of the committee that was appointed in Montreal, who is also a member of the Board of Control, that the city can compel these cold storage plants to make a sworn statement as to the goods in their possession, but I am very sorry to have to say that I would not accept those statements even if they were sworn to. The men in the cold storage business are no better informed than the men outside, and the reports of the cold storage companies are absolutely contrary to the reports that have been made on these plants by those who are not financially interested in them. I would not think of giving the names of those who gave me that information, because they would not hold their positions for twenty-four hours. A statement from the cold storage company itself might be all right, but you will probably find that they have forgotten to state certain facts. The plan I would suggest is this. The minister should get some official of the department to go right into the cold storage plant and make a thorough investigation. He would then have information that he could rely on. I think that would be far better than sending out these questionnaires, because I can tell him it will be a long time before he gets the companies to send in correct answers. Prices are going up all the time, and the people are suffering more and more; the minister must admit that. I expect the minister will ask me whether I would be willing to see wages reduced, so I will tell him now that I would be quite willing to see a reduction in wages if a corresponding reduction were made in the cost of living. I think if my hon. friend sent officials from his department into these plants at Montreal, Toronto and other large centres he would be surprised at the reports that they would make to the department.

I think I was the first to bring the cold storage question before the House some years ago, and in the following year I think the hon. member for Selkirk introduced a Bill, which the Government took up and passed, to prevent food remaining in cold storage plants for more than a certain period. Whether that law has been lived up to I do not know, but perhaps the minister does. I repeat again that the only solution is to send some one connected with the department directly into these cold storage plants to make a thorough investigation, and action should be taken by the Government as soon as their reports are received.

Mr. CROTHERS: I am reluctant to take so large a share in this discussion of my colleague's estimates, but since my hon. friend has referred to me so often I think I ought to say a word or two in reply. I am afraid I did not make myself clear when I was on my feet a few moments ago. I said that under this Order in Council I am authorized myself to make a thorough examination of witnesses under oath, to compel dealers to produce their books, and all that sort of thing; and not only am I authorized myself, but I am authorized to authorize anybody else to do it. I have invited the city of Montreal and other large cities to appoint a man—

Mr. MEDERIC MARTIN: Paid by the city. Why did not the Government do it themselves? It is their duty.

Mr. CROTHERS: I do not think it is our duty. As I was saying, I have suggested to the city authorities of Montreal and other large centres that at their request I will under the authority vested in me by clause 6 of these regulations authorize an official of the city to make that investigation. Now my hon. friend from Maisonneuve says that the city could not rely upon any affidavits that might be sent in. If that is the case, all the city has to do under the offer I made recently is to ask me to authorize the city solicitor or any other official to make the investigation, to examine witnesses under oath, to compel the dealers to show their books, and to get all the details desired, and I shall be delighted to do it. So what is the use of blaming the Government for not making an investi-

10 p.m. gation and starting proceedings? If my hon. friend from Maisonneuve will only exert his influence on the council of the city of Montreal, I have no doubt he will succeed in getting a man appointed who will have authority not merely to accept written affidavits, but to examine witnesses under oath and compel dealers to show their books and give all the information required. Is there anything more we can do?

My hon. friend has spoken about the price of coal. Personally, I do not know about the price of coal in Montreal, but I may say that last winter, in January or February, when the weather was pretty cold, I saw a press despatch that high prices were being charged in Montreal for coal. Without any application from anybody, I sent a wire to the Mayor of Montreal asking if there was any truth in the report, and I got a reply. Then I suggested that he should send a city official here, as it would only take a few hours, and we would give him any information we had gleaned from our own investigations, and assist him in every way possible. But he did not do it; he may have had good reasons for not sending anybody here; I am not finding fault with him for that. But surely he has no fault to find with us over that matter. I am told that the practice obtains in Montreal of selling coal in very small quantities in little paper bags containing ten, fifteen or twenty pounds. Selling it in little bags, 2,000 pounds of coal would aggregate $15 a ton, or, perhaps, $30, as some hon. member suggests. If there is any extortion the Order in Council provides a remedy under Section 3. I think my hon. friend, the mayor of Montreal, should call the attention of the officer who wrote criticising this Order in Council to the fact that his letter shows that he lost sight entirely of the words " or of stock in trade."

Mr. MARTIN: I think the hon. member does not know the gentleman.

Mr. CROTHERS: I have not the advantage of an acquaintance with him, but his letter shows that he had not in mind at all the provision in this clause making it obligatory upon the dealer, not only to sell the excess over and above the ordinary amount of business, but to sell the stock in trade. He only dealt with the other question.

Mr. VERVILLE: If an officer were appointed by the minister under the Order in Council and if he were paid by the city, how would he be under the jurisdiction of the Government?

Mr. CROTHERS: I did not say he would be under their jurisdiction.

Mr. VERVILLE: I am asking, would he be under their jurisdiction?

Mr. CROTHERS: Power would be conferred on him under clause 6.

Mr. VERVILLE: But he would not be under the jurisdiction of the Government?

Mr. CROTHERS: That is not material. The clause provides for an officer of the municipality; he would still be an officer of the municipality.

Mr. VERVILLE: Suppose that officer made a report, stating there was stock in trade over and above what was necessary, then application would have to be made to the Attorney General to prosecute him?

Mr. CROTHERS: Yes.

Mr. VERVILLE: I desire to avoid all that machinery. I am not speaking for Montreal alone, but for all cities and towns, I think it should be in the hands of the Government, because they are powerful and can accomplish the object in view. It is a question of trade and commerce, and the Government alone has the power to deal with it. It should be under the Department of Trade and Commerce, or under my hon. friend's department, because it has been given to him to look after. I may be mistaken, but it sounds more sensible to me that the matter should be under the jurisdiction of the Dominion Government.

Mr. PUGSLEY: The minister stated that he investigated in regard to sugar, coal, and potatoes. Would he kindly state if he investigated as to the price of flour?

Mr. CROTHERS: I stated, amongst other things that there was in process of preparation a report concerning flour, canned goods, and iced and cold storage commodities. I laid two reports on the Table today, and will present others in the near future.

Mr. PUGSLEY: The municipal council of a city could not thoroughly investigate the question as to flour. Supposing the council of Montreal appointed some one to ascertain whether the price of flour in Montreal was reasonable or unreasonable, the grocer from whom the flour is bought would say: "I had to pay so much to the miller." Suppose he buys flour from a manufacturer in Montreal, that manufacturer would say, "I had to pay so much for wheat, which is controlled by the speculator upon the Winnipeg grain exchange." Therefore the man in Montreal would have to be acquitted at once, because it would be said that he was simply charging the price which was regulated by circumstances which were beyond his control. It seems to me that to effectively carry out any law for the regulating of food prices, and reducing the cost within proper limits, you must have some authority which has jurisdiction through-

out Canada. The official must have jurisdiction, not only in the place where the finished product is sold but in the place where it is manufactured. The jurisdiction must be throughout the Dominion. It seems to me the point raised by the hon. gentleman from Maisonneuve that it was the duty of this Government to carry out this law to regulate food prices, and reduce them to proper limits, is one for the Dominion of Canada to deal with, as pertaining to the whole country. It is absurd, in my judgment, to call upon the municipality to investigate, when it can only make a half investigation, and cannot thoroughly investigate the matter. Bituminous coal is sold in Halifax by the wholesale dealer. Suppose a complaint were made against a man in Halifax by the city council of Halifax, and the dealer says, "It costs me so much for my coal down at the mine in another county." That is altogether outside the jurisdiction of the city council of Halifax, and, therefore, if the price charged at the mine were so high that there was not more than a reasonable profit accruing to the dealer in Halifax, the city council would be powerless. You must investigate the whole question. The food controller, or the authority investigating, must look, not only to what has taken place at the point of production, and must consider the nature of the transaction between the wholesaler and retailer. The hon. minister says this is like the administration of the criminal law. I say it is not, because when Parliament enacts a criminal law, ordinarily nothing further is done. The whole machinery for the administration of that law is left in the hands of provincial authorities, but in this case the Government takes charge of a portion of the machinery, and it appoints people to investigate. It passes an Order in Council and it says to Montreal, "If you will name anybody, we will appoint him," showing that the Government is taking control of the matter ,or pretending to take control of it, but it is only a pretense to the people of Canada that they are doing something to control food prices, and it is seeking to throw on the municipalities the duty of making an investigation, knowing full well that they have not the machinery to make a thorough investigation, and that, after all, the most that will result from it will be that the Government will be able to make the excuse that they give to the municipalities the power, when they know perfectly well that the duty rests upon the Dominion. Another feature of it is that no criminal proceedings can be taken without the authority of the Attorney General, throwing in the way of the prosecution another difficulty. The minister likens it in that respect to the provision in regard to the enforcement of the law relating to the violation of the Lord's Day but he knows perfectly well that the conditions are entirely different. The reason for putting in that provision was that, throughout Canada, different views are held with regard to the observance of the Lord's Day. In some provinces the view as to the observance of the Sabbath is very different from the view in other provinces, and it is thought better that the Attorney General of each province, being cognizant of the public sentiment in the province, should be called upon to give his consent, so that it could be fairly inferred that public opinion was behind the prosecution for violation of the Lord's Day Act. I would ask my hon. friend what was the result of his inquiry as to the cost of coal at St. John. Anthracite coal in St. John is selling at $14 a ton, with open water between the city and point of production at the anthracite coal mines in Pennsylvania. In asking this question I do not want it to be understood that I am charging the dealers of St. John with demanding excessive prices. It may be that it is the result of the conditions governing transportation and the cost of production. I only ask the minister what the result of the investigation was.

Mr. SUTHERLAND: The item before the committee is:

> Towards the encouragement of cold storage warehouses for the better preservation and handling of perishable food products.

I would like to remind the committee that the price of flour, the cost of coal and the observance of the Lord's Day Act hardly come within the scope of this item.

Mr. PUGSLEY: That may be true, but it would be an extraordinary circumstance if, after the Minister of Labour has been dealing with all these questions, one should not be permitted to pursue the matter further, but that the discussion should be shut off at this point. I would hope that my hon. friend would not press his point of order, because if time is consumed now in getting information, it will not be necessary to consume time at a later stage. But these questions must be answered before these Estimates are passed. They will come up at some stage, and it is very much better

to have the discussion go on in a friendly way and have the information given now.

Mr. CROTHERS: I will be very glad indeed to answer my hon. friend. Our information is that the coal dealers in St. John do not buy their coal at the pit's mouth owing to the circuitous routes of the railways, but they buy it from dealers in New York city. Sometimes they are obliged to buy it from what are called independents in New York, that is dealers who are outside of the regular dealers. Sometimes they have to pay a very exorbitant price for coal in order to load a vessel. I think they have paid as high as $14 a ton in New York city in order to get a load hurriedly. But they do pay in New York city between $5 and $6 a ton for anthracite coal, and owing to the shortage of tonnage, for bringing it from New York city to St. John, they pay as high as $5 per long ton freight. When they come to sell by the short ton they have to get $13 or $14 a ton for it.

Mr. PUGSLEY: They would not pay more for the short ton than for the long ton, surely.

Mr. CROTHERS: No, but they buy it by the long ton.

Mr. PUGSLEY: That brings it to $10 for the long ton, and they sell it for $14 per short ton.

Mr. CROTHERS: To figure it out, if I remember aright, a short ton of 2,000 lbs. costs the dealer in St. John $12.94. It will be $14 for the long ton and $12.94 for the short ton. That accounts for the high price of coal in St. John and Halifax.

Mr. PUGSLEY: How does the minister get $14? He said that they paid $5 per ton for the long ton.

Mr. CROTHERS: Between $5 and $6.

Mr. PUGSLEY: That would make $11 for the long ton in St. John.

Mr. CROTHERS: They sometimes pay as high as $12. My hon. friend need not quibble about a cent or two a ton. I said that they did not always buy it for $5 a ton. I said that they had sometimes to pay as high as $12 in New York. But they get it in New York usually for $5 or $6 and they pay $5 a ton freight. They do not always pay $5 a ton freight; sometimes they get it for $4. These prices vary. But we are satisfied from the figures we have from the dealers, and the information we have from other sources that the prices they are charging for coal in St. John are not such as to give them exorbitant profits owing to the abnormal conditions.

Mr. PUGSLEY: I wish to repeat what I said before that. I do not think the dealers in St. John are charging any exorbitant prices. But the trouble is that the Government have not adopted a policy of building ships and providing transportation. I am glad to hear what the minister has said. The coal dealers in St. John are a very honourable class. But it does seem a dreadful situation that in St. John, facing the anthracite coal fields and with water carriage between the two, our people should be compelled to pay this high rate. I would almost think the Intercolonial could bring coal down by rail from Quebec, by way of the Quebec Central and the Bangor and International. Now, in regard to cold storage, just one word further—

Some hon. MEMBERS: Hear, hear.

Mr. PUGSLEY: What gentleman says "hear, hear?" Is it the hon. gentleman who tried to stop the committee from working?

Mr. SUTHERLAND: If the hon. gentleman asks me, I would say that I was trying to encourage him to deal with the question before the committee instead of the dreadful condition he pictured in St. John in regard to coal.

Mr. PUGSLEY: The hon. gentleman need not grow impatient. I do not wonder that he wants to get the minister away from this question as quickly as possible, but he will not be able to succeed for a moment at all events. In regard to the cold storage question, the Order in Council is so drawn as really to prevent any effective operation. It does not affect sale to the consumer because the consumer has no right to buy from the person having goods in cold storage. The person having goods in cold storage sells to the wholesale dealer or to the retail dealer, but not directly to the consumer. Therefore, no matter what the price may be, the ultimate consumer would not have any complaint under this Order in Council. Who is going to proceed against the cold storage warehouse? It is not the retailer, because the higher the price he pays to the warehouseman the higher the price he charges to his customers. If the retail dealer is complained against under this Order in Council, all he has to say is: "I had to pay so much to the warehouseman, his prices were high and I was entitled to a reasonable profit; therefore, there

can be no complaint against me." The retailer is not likely to enter into litigation with the warehouseman because he desires to keep his relations friendly with the person from whom he buys.

All he has to do is to tack on a little higher price to the consumer to meet the extra price that he is paying to the warehouse man or to the wholesale dealer, and so he suffers nothing. He gets a larger price and a considerably greater profit from the family to whom he ultimately sells the goods. All this shows that it is necessary for the Government to take charge of the whole situation, to thoroughly investigate the prices charged by the warehouse men, the quantity of goods kept in stock, the prices which these goods cost before they were put into the warehouse, and to consider what would be a reasonable charge for the warehouse man, and then, through a food controller, to see that these foods reach the consumer at a reasonable and fair price. I have not time to go more fully into the Order in Council, but I am sure one has only to read it to see that the Order in Council itself and the mode in which the Government propose to enforce it are such as are calculated to render the Order absolutely nugatory and incapable of producing the slightest effect in reducing the cost of food.

Mr. MEDERIC MARTIN: The minister says that he sent a telegram to the mayor of Montreal in February. I think it was at the end of March.

Mr. CROTHERS: Oh, no.

Mr. MEDERIC MARTIN: I may be mistaken. And he said that I did not answer it.

Mr. CROTHERS: I did not say that.

Mr. MEDERIC MARTIN: I answered the telegram, but I did not send an attorney to Ottawa.

Mr. CROTHERS: That is what I said.

Mr. MEDERIC MARTIN: Our attorney said to us that we did not need it, we were asking in that telegram for power to make an inquiry and that is what we did the day after. I believe, if my memory serves me well, that a report of that inquiry was sent to the Government. We found that the trouble in respect to coal was not the fault of the small dealer, but the fault of the big dealer in the city of Montreal. I remember very well that last fall the Board of Commissioners and the council of the city of Montreal passed a resolution asking the Government to place an embargo on the export of different articles such as potatoes. Potatoes last fall cost $2 to $2.75 a bag, and in the spring they cost $4.50 a bag. We made that request but we received no answer. I think that the only thing to do, and I think this is the duty of the Government, is to follow the example of the United States and to name a commissioner to inquire throughout the entire country into the quantity of the different necessaries of life, and to control the price so that nobody will make an undue profit at the expense of the population. That was the duty of the Government, and that is what the Council and Board of Commissioners of the city of Montreal thought last fall. I was answering a letter written to me, I think by the Department of Agriculture, and I suggested in my letter that the only remedy or possible means to give satisfaction and to reduce the cost of living to the citizens of different cities in Canada was to put an embargo on the export of certain foodstuffs. To that letter, which I signed myself, we received no answer. That was the only course which would have given good results. We had an example about a month ago from the President of the United States. It was the duty of this Government to take similar action long ago. But we know very well that since this Government have been in power they have been the friends of the trusts, and we could never obtain any relief from them.

Mr. LALOR: Does the Government of the United States control the price of coal in the United States, or has it done anything to control that price?

Mr. MEDERIC MARTIN: The first thing they did was to name a commissioner on the cost of foodstuffs. When the time comes to look into the question of the price of coal, they will undoubtedly adopt the same course that they have adopted with regard to the cost of foodstuffs.

Mr. LALOR: I inferred from the hon. gentleman's remarks that they did control the price of coal, and I asked if that were true.

Mr. MEDERIC MARTIN: I am not informed as to that. But the United States having as President such a man as President Wilson, I am sure they will adopt a similar course. But having such people as we have at the head of our Government, they do nothing at all in support of the big city of Montreal in matters of this kind. You are always working on political lines. That is shown by the question you have

put to the hon. member for Kent (Mr. McCoig), asking him if he would be willing to recommend a maximum price of $3 a bag for beans. That means that you try to set the farmer against the citizens of the big city in order to make political capital for the next election—it is nothing else. The country should be administered in the interests of all the people, and the Government should not try to make political capital out of such questions as this in order to get back into power. I do not rise frequently in this House, but you know that you have not done your duty towards labour, not alone in the city of Montreal, but in the whole of Canada. Take the question of increasing Civil Service salaries. You are recommending increased salaries for the big people who are getting $4,000 and $5,000 a year, but when we were asking you to increase the salaries of letter carriers, who get from $750 to $800 a year, you did nothing at all. Who is the man who most needs an increase of salary if it is not the man who is working 365 days a year——

Some hon. MEMBERS: Order.

Mr. MEDERIC MARTIN: —and for whom the cost of living is just the same as it is for the man who gets $5,000. But for him you do nothing.

Some hon. MEMBERS: Order.

Mr. MEDERIC MARTIN: Raise the point of order and the chairman will decide.

Mr. BURRELL: I hope I appreciate the remarks of my hon. friend who has just sat down, and I am not disputing, it is not my place to dispute, the sincerity of his motives in discussing the interests of the large number of people in the city of Montreal over whom he officially presides.

Mr. MEDERIC MARTIN: I was speaking for the people throughout the whole of Canada, not in Montreal alone.

Mr. BURRELL: My hon. friend was, of course, speaking more particularly of Montreal. I may say that my conception of the duties of a Government, or of anybody else, in this matter is to look on the question in such a way and to solve it in such a way that the best interests of the consumer are really served while, at the same time, the interests of the producer is served. That may seem a paradox, but I do not believe that this country will ever be on a sound basis if the interests of the consumers are ever considered to an extent that will make it unprofitable for people to go into production. The best thing that can be done in the interests of the consumer is to make agriculture so productive and profitable a calling that more people will go into it and so increase production. My hon. friend raised a question that I should like to touch on because it illustrates my meaning, the question of potatoes. My hon. friend said that he wrote, I think to me, and he takes the ground—

Mr. MEDERIC MARTIN: I was answering a letter of the Agricultural Department, I do not know if it was from the minister.

Mr. BURRELL: My hon. friend takes the ground, and I think a great many people took the ground at that time, that in respect to the mounting price of potatoes, which were getting very high indeed, it was the business of the Government to put an embargo on the exportation of potatoes from Canada to the United States or any other country, or else that they should fix the price at a lower figure than it then was in order that the consumers might have potatoes within their reach. I want to lay this down as a maxim, and I believe it is absolutely true, that if at a time like that, when potatoes were scarce not only here, but equally so in the United States—if anything they were more scarce in the United States because they were 70,000,000 bushels short in the potato crop last year, and Cuba was also very short—we had placed an embargo on the export of potatoes the effect would have been to discourage the growing of potatoes in Canada. The growers in this country had built up, in some years at a very small margin of profit, a large business. The farmers of the province of New Brunswick had gone largely into the potato business and had built up a trade with Cuba and the Untied States which they were trying to increase, and incidentally they were supplying potatoes to consumers in this country as well. Owing not to speculation, but the shortage in United States and Cuba, the price of potatoes went up until it reached $7 a barrel. I believe that it would be a fatal mistake, however, to put an embargo on potatoes unless the necessity were extremely pressing, because the result would be the discouraging of production and a proper resentment on the part of the farmer, who would say: Last year I raised thousands of bushels of potatoes and sold them at a loss; this year, when I have a good crop, you deprive me of that profit which would make up for some of the losses which I have sustained.

Mr. PUGSLEY: Did the minister observe any resentment among the farmers of England when the British Government fixed the price of potatoes?

Mr. BURRELL: They did not fix a maximum price. The British Government have departed from the old established theory of not protecting the farmer. Recognizing that cheap food at all hazards is not the best thing in the interests of the consumer, they have guaranteed a minimum price of potatoes to the farmer of $30 a ton. I fancy that if the Government had asked the House to sanction a regulation guaranteeing the farmers $30 a ton for their potatoes during two years, my hon. friend would be the first to say that it was an outrage that the taxpayers should have to make up to the growers $20 a ton when their potatoes were worth only $10 a ton, as they were two years ago.

Mr. PUGSLEY: Nobody suggests the fixing of an unreasonable price. What has been argued from this side is that the Government at the beginning of the war should have fixed a minimum price for certain number of years in respect of such important foodstuffs as wheat and potatoes, which would have given a guarantee to the farmers, and, at the same time, a maximum price within which the farmers would have been obliged to sell. That would have been satisfactory to both consumer and producer.

Mr. BURRELL: The fixing of minimum and maximum prices upon certain commodities is a matter far more complicated and difficult than the hon. gentleman imagines, unless he has given profound study to the question.

Mr. PUGSLEY: It requires some courage to do it.

Mr. BURRELL: It is not altogether a question of courage; fools sometimes rush in where angels fear to tread. In Germany they rushed in with maximum prices, and they later had to go back on that policy, because of its tendency to discourage production. In Italy a similar policy also broke down. In England they have not been doing the drastic things that some people think they have been doing. They have made some mistakes. They settled upon two meatless days in each week, but they had to depart from that because of the rush on bread and cereals. As a rule, countries which have attempted to deal in an arbitrary way with matters affected by the laws of supply and demand have failed to attain the objects which they set out to accomplish. I believe that it would have been a mistake to place an embargo on potatoes at the time referred to, because it would have had a tendency to discourage production. It was folly for people to eat potatoes, unless they were wealthy, and used them as a luxury, at the high price which that product attained two months ago. It would have been cheaper and more economical to use rice or other commodities. As far as Canada is concerned, it was better that she should have $7 available for productive work in other directions than have a barrel of potatoes. The situation was not so severe, to my mind, as to require such a drastic remedy as the establishment of an embargo. A telegram was read in the House the other day from the Eastern Townships that potatoes could not be got at any price, but I had a letter the other day from a gentleman in Sherbrooke who said that there was no difficulty in obtaining potatoes in that district at a reasonable price—about $1.50 a bushel, I think.

Mr. GAUVREAU: At this time the potatoes will turn bad in three weeks.

Mr. BURRELL: I am speaking now of the securing of potatoes in ample time for planting; this letter was received about four weeks ago. I had similar communications from Nova Scotia. One man wrote me that he had purchased 100 bushels for seeding purposes at $1.50 a bushel. This shows that the course suggested would not have been a wise one. Speaking generally, I think that any Government should go slowly in the matter of fixing arbitrary or maximum prices or imposing embargoes. Such courses should not be followed unless the necessities of the case are abundantly clear. My hon. friend referred to the United States. While the United States has appointed a food controller, Mr. Hoover, they have not taken any definite action; they have not even got their legislation through. The Secretary of Agriculture for the United States, with whom I have been in constant touch, kept me informed of all the proposed legislation and all their discussions, which I have followed with a great deal of interest. Mr. Houston himself said in the course of his remarks that he regarded the fixing of minimum and maximum prices as a course so important that it should only be employed as a very last resort. So far from exercising those powers in the United States,

they have not even obtained them. They are asking, however, for very large powers, and rightly so. As my hon. friend says, we are living in abnormal times, and it is well that these powers should be in existence so that the remedy may be available when it is shown to be absolutely necessary under certain conditions. After all, we are all striving for the same thing—not to discourage production. The cost of production has gone up 100, 150 and 200 per cent, and it is vital to the future of Canada that no producer be discouraged in his efforts. At the same time, I know that every member is desirous also of trying to secure the best conditions for the consuming population, who are facing hard times, and to eliminate wild speculation or manipulation—which, I think, does not exist to the extent that some people think it does. In regard to the imposition of these arbitrary measures, any Government should move very slowly if they are going to move at all.

Mr. PUGSLEY: The minister speaks of the necessity of encouraging the producer. Would he say that this was not more than a reasonable encouragement to a flour manufacturer? I read from the statement of the Minister of Finance on page 1957 of Hansard, where he says that the Government tax for the year 1915, when the tax was only 25 per cent of the excess profits, was $380,000 on one milling company. According to that, the excess profits of this flour milling company, after allowing for their earning the usual dividend of 7 per cent on all their investments, would be $1,520,000. Does the minister think that is an ordinary profit which ought to be encouraged? The minister says that he is informed that the price of potatoes has gone down to $1.50 a bushel. Just the other day in my own city seed potatoes cost $8 per barrel. I bought some seed potatoes for myself, and I have the bill for them.

Mr. REID: A barrel would hold two and one-half or three bushels?

Mr. PUGSLEY: I think it is two and one-half bushels. The bill was for four barrels of potatoes for seed, $32. That does not confirm the statement of the minister.

Mr. MEDERIC MARTIN: I have been informed that speculators are going through the different counties and buying up the crop of potatoes before they are taken out of the earth. If that be the case, the Government should stop that speculating. These speculators are also contracting for supplies of eggs, and they will control the prices in the fall. The minister says that it is our duty to encourage the farmers; it is not the farmer who received the profit; it is those speculators who start six months ahead and gather in all that the country will grow and then fix the price. That is what is going on in Montreal, and the minister should take note of what I have just said, and if it be true, he should stop that speculation. The minister says that the dealers are now trying to sell the potatoes at $1.50 per bag. They were holding the stock, and would not give us a bushel of potatoes unless we paid $4 a bag. From twenty-five to fifty cars of potatoes were allowed to freeze on the tracks at Montreal because the dealers preferred to have them freeze to lowering the prices. I do not want to throw the blame on the Government, but they should stop this speculation for the coming crop.

Mr. LALOR: I would suggest to the mayor of Montreal that he should follow the example of the mayor of New York, who now, I notice through the press of New York, is offering one dollar per bushel for all the potatoes that can be grown in the state of New York, so that he can sell direct to the consumer in New York potatoes at a reasonable price.

Mr. C. A. WILSON: That suggestion might apply to the Government.

Mr. LALOR: That price may seem fairly high, but that is what the mayor of New York is offering. As regards the price of coal, when hard coal is sold in the city of St. John at $14 a ton, but I would like to know, and I have not heard through this discussion, any suggestion as to how this Government can control the price of coal. We buy that coal in the United States, and regardless of what the mayor of Montreal may say, the Government of the United States have so far not attempted to control the price of coal in that country. I am a very large buyer of coal for manufacturing institutions with which I am connected, in particular one in my own town where we use about five carloads of soft coal a week, and to-day we are advised to buy that coal now and not wait until later to buy it, because, if we do, we shall have to pay a much higher price for it. It costs us 35 cents per ton to deliver soft coal from the mines of Pennsylvania to our town, and that coal is costing us to-day in the neighbourhood of $9 a ton, over $8 anyway. How can this Government control the price and give us our coal cheaper? We used to buy that coal at $2.60 a ton. The price is controlled by the mine owners

of the United States, and the United States Government has not interfered with them in any way so that I cannot see how this Government can be held responsible for the price of coal in Canada. Will the mayor of Montreal or the hon. member for St. John tell us that the local dealers are charging exorbitant prices for coal and making exorbitant profits?

Mr. PUGSLEY: I do not think any one on this side of the House has argued that the Government can control the cost of coal in the United States, but it has been suggested by some hon. members that the dealers in Montreal and other cities have been charging more than is fair. Whether that is true or not, I do not know; my complaint has always been that the Government ought to build vessels for the coastal trade of Canada.

Some hon. MEMBERS: Oh, oh.

Mr. PUGSLEY: Hon. gentlemen need not laugh at that. That is a pretty serious matter and ought to be attended to. I only state it because the Minister of Labour said that he would investigate the situation. Before very long, the United States Government will take charge of the coal produced in that country. We, on this side of the House, are arguing that it is the duty of this Government to take control of the necessaries of life, particularly those which are produced in Canada, such as flour

Mr. LALOR: I think I understood the argument of hon. gentlemen opposite correctly and I understand that they are complaining of the price of coal in Canada. The hon. member for Montreal, St. Mary's (Mr. Martin), complains that in the city of Montreal coal is being sold at too high a price. The hon. member for St. John (Mr. Pugsley) has raised the same argument, but at the same time—and I hope it was not on account of the votes of the coal dealers—he said that he did not think that the coal dealers were charging too much.

Mr. PUGSLEY: I referred to the cost of transportation.

Mr. LALOR: The price of coal is regulated by the price at the mine and the freight added to that, and I doubt if there is a coal dealer in Montreal to-day who is making over fifty cents or a dollar a ton profit on the coal he sells. I am not speaking of the coal sold in 25 or 50 pound lots. I think we should be absolutely fair in this House whoever happens to be in power, and not try to raise questions to influence the minds of the consumers when there is absolutely no reason for it. We have no control over the price of coal at the mines, and hon. gentlemen opposite know that just as well as we do, but the question is being discussed in this House day after day. I agree with the Minister of Agriculture that in order to get our farmers to produce more grain and grow root crops they must be encouraged, and you cannot encourage them by stepping in and controlling prices. I represent a farming constituency, and I believe the farmers of this country are entitled to the world's markets for the products of the farm. It is not all fair sailing for the farmers of this country. How about the thousands of acres of fall wheat that were ploughed up last year and which brought nothing to the farmer? How about the fall wheat in Ontario to-day that will not show over 50 or 60 per cent of a crop? Farmers are entitled to every cent they can get for the products of their farm.

Mr. McMILLAN: Does my hon. friend think that they did not get enough for their cheese at 21¾ cents a pound?

Mr. LALOR: That is a very good price, but if cheese is worth 25 cents a pound they deserve to get it. They are entitled to the price the world's markets give them for cheese. If you are going to control the product of the farm you must also control the product of the mine and factory, and if you are going to do that you must control wages.

Mr. OLIVER: You should not have commandeered the wheat.

Mr. LALOR: Was not the wheat that was commandeered last fall in the elevators and not in the farmers' hands?

Mr. OLIVER: The farmers owned a great deal of what was in the elevators.

Mr. LALOR: That is quite contrary to the arguments of other hon. gentlemen opposite who said that the wheat in the elevators belonged to the speculators. The hon. member for Edmonton represents a farming constituency, and he should be the first man in the House to stand up and say a good word for the farmers.

11 p.m. If the prices in this country are not high enough to pay the farmer, the prices must go up.

Mr. MEDERIC MARTIN: We are going to tax the people for that and we will do it.

Mr. LALOR: I read a statement recently made by Mr. Hoover, controller of food in

the United States, and he is absolutely opposed to fixing a maximum price for food products. He says it has been a failure wherever it has been tried.

Mr. PUGSLEY: Does he not say that with proper control prices could be brought down by about 60 per cent?

Mr. LALOR: In England they do not fix a maximum price but a minimum price, and anything the farmer can get above that minimum he is entitled to; and that is all you can do in this country in fairness to the farmers. I want to be absolutely fair; I do not think there should be an absolute runaway market for the products of the farm, but the farmers are entitled to a fair price for their products. After listening to the arguments in this House day after day I cannot see that a food controller would do much good, or how prices could be brought down, because prices are controlled by the world's markets.

Mr. MEDERIC MARTIN: The hon. member has pointed to the action taken by Mayor Mitchell of New York in regard to potatoes. The Mayor of Montreal has not the same power as the Mayor of New York. Last year I suggested to the Board of control that we should vote $250,000 for the purpose of buying potatoes. We had no right to do that; it was quite illegal, but I was ready to take the responsibility in order to sell potatoes to the consumers at cost price. We did everything that was possible, so my hon. friend need not point to Mayor Mitchell as an example to me. It was illegal for us to take this action, but I thought the legislature would ratify it. The council, however, did not support me.

Mr. BURRELL: In regard to the potato situation my hon. friend will be glad to know that the high prices this year—and high prices are always a stimulus—have resulted in a greater acreage than last fall. I do not think there is much danger of any one speculating in the crops of the province of Quebec, because that would be an extremely wild type of speculation. I think my hon. friend can be hopeful that the efforts of the farmers and everybody else this year will result in very much more satisfactory conditions.

Mr. COPP: I understood the minister to state the potatoes were selling in Nova Scotia at $1.50 a bushel.

Mr. BURRELL: Yes, near the city of Halifax. I was shown a letter only a week or so ago in which it was said that over 100 bushels was bought for seed at $1.50.

Mr. COPP: That must have been an isolated case, because within the last twenty-four hours I have learned that a league has been formed by the citizens of Amherst to go without potatoes in June so that the people may have enough for seeding.

Mr. BURRELL: We may be thankful that there are enough left for seed. As it is getting late, I would suggest that we pass this item, and that the committee then rise.

Mr. OLIVER: The statement made by the Minister of Labour as to the information he was gathering with regard to cold storage warehouses was so diffuse and so voluminous that I was not able to gather what he was really doing, and I think we should thoroughly understand just what is being done before this item is passed.

Item stands.

On motion of Hon. Mr. Reid the House adjourned at 11.05 p.m.

Thursday, June 7, 1917.

The House met at Three o'clock, the Speaker in the Chair.

QUESTIONS.

GOVERNMENT STORAGE ELEVATORS.

Mr. EDWARDS:

1. How many Government terminal and interior storage elevators were there in Canada previous to October 1, 1911, and where were they located?
2. How many Government terminal and interior storage elevators have been constructed since October 1, 1911, and where are they located?

Sir GEORGE FOSTER:

1. None.
2. Five. Port Arthur, Moosejaw, Saskatoon, Calgary and Vancouver.

QUESTIONS PASSED AS ORDERS FOR RETURNS.

Mr. CARVELL:

1. How many recruiting officers have been appointed in the province of Quebec?
2. What are the names, addresses, nature of functions and salaries of said officers?

Mr. LANCTOT:

1. Does the Department of Agriculture supply thoroughbred bulls for improvement of stock to applicants for the same?
2. If so, have any such bulls been sent into the County of Dorchester, Quebec, and when?

3. At whose request were these bulls sent, and did they belong to the Department of Agriculture?
4. If so, on what condition were they supplied?
5. From whom did the department purchase the animals referred to?
6. What was the price paid?
7. Has any official of the Department of Agriculture made an investigation as to where these bulls are at the present time?
8. If so, what is the substance of their report?
9. Are the said bulls being used for the purpose for which they were intended?

MILITARY SERVICE BILL.

On the Orders of the Day:

Rt. Hon. Sir ROBERT BORDEN (Prime Minister): I beg to announce that the Military Service Bill, 1917, will be introduced on Monday next.

Rt. Hon. Sir WILFRID LAURIER: Can my right hon. friend say when we may expect the second reading?

Sir ROBERT BORDEN: Whenever it may be convenient. I should be prepared to consult my right hon. friend's convenience in that regard, except that I should like to proceed with it with as much expedition as may be possible.

ALLEGED ADVANCE TO RAILWAY COMPANY.

On the Orders of the Day:

Hon. RODOLPHE LEMIEUX: May I ask if the report is true, that an advance has been made to a railway company by Order in Council? If this report is true, what is the amount and to what railway company has the advance been made?

Sir THOMAS WHITE: I have no information in respect to the question asked by my hon. friend. No advance has been made by Order in Council, so far as I know.

INSURANCE ACT OF 1910.

PROPOSED NEW ENACTMENT.

Sir THOMAS WHITE (Minister of Finance) moved the second reading of Bill No. 53, respecting insurance.

He said: This legislation is rendered necessary by a decision of the Judicial Committee of the Privy Council in what is known as The Insurance Case, which was decided in March of last year. The Bill repeals the Insurance Act of 1910 and re-enacts it with certain amendments. The amendments are of two classes: First, those which are necessary to remove from the existing Act the features which have been ruled by the decision of the Privy Council in The Insurance Case to be ultra vires, and, second, those considered necessary to meet changed conditions which have arisen since the passing of the present Act and to remove serious defects which have come to light in the course of its administration. The decision of the Privy Council to which I have alluded is the culmination of considerable litigation which has from time to time during the last twenty years concerned itself with the question of the constitutionality of the Insurance Act. The point as to the constitutionality of the Insurance Act, however, never came up squarely in the course of the litigation to which I have referred. It arose incidentally from time to time, and as a result of the doubt which was cast upon the constitutionality of the Act, a reference was made by the Solicitor General of Canada to the Supreme Court to determine the question. The Supreme Court gave its decision, and the case was afterwards appealed to the Privy Council. In 1909 it was held by Judge Lett, sitting as magistrate in the city of Montreal, that the Insurance Act was ultra vires and that it was not possible to enforce the penalties provided by the Act for infractions of the law. As a result, the administration of the Insurance Act was practically paralyzed.

Sir WILFRID LAURIER: On what ground?

Sir THOMAS WHITE: On the ground that it was ultra vires of the Dominion Parliament.

Mr. GRAHAM: What particular part of the Act was declared ultra vires, and to what part of the case did it refer?

Sir THOMAS WHITE: The case was the King vs. Willis Faber & Company, who, unlicensed, had been soliciting insurance and collecting premiums in violation of a provision of the Act as in force at that time, which is now section 4 of the Insurance Act.

Sir WILFRID LAURIER: The magistrate held that the license could be issued only by the provincial government?

Sir THOMAS WHITE: It was held that the legislature of the Dominion, in requiring a company or person to obtain a license before carrying on the business of insurance in Canada, was ultra vires of the Dominion.

Sir WILFRID LAURIER: That matter belonged to the provinces only?

Sir THOMAS WHITE: I am not sure as to what further was decided, but that was the point so far as Dominion legislation was concerned. There was no appeal from that decision, and the result was that the administration of the Insurance Act has been practically paralyzed ever since because of the impossibility of enforcing the penalties provided for infractions of the law. The matter came squarely before the Privy Council as to the constitutionality of sections 4 and 70 of the Act. Section 4 of the Act is as follows:

> In Canada, except as otherwise provided by this Act, no company or underwriters or other person shall solicit or accept any risk, or issue or deliver any receipt or policy of insurance, or grant any annuity on a life or lives, or collect or receive any premium, or inspect any risk, or adjust any loss, or carry on any business of insurance, or prosecute or maintain any suit, action or proceeding, or file any claim in insolvency relating to such business, unless it be done by or on behalf of a company or underwriters holding a license from the minister.

In other words, the Act prohibits any company or person from carrying on the business of insurance in Canada without obtaining a license from the Dominion Government. I should explain that that section applied not only to companies incorporated by the Dominion Parliament and to persons throughout the Dominion, but to companies incorporated by the provinces carrying on business outside such provinces. The Privy Council decided that section 4 was ultra vires of the Dominion Parliament. The terms of its decision in that connection are as follows:

> Their Lordships are therefore of opinion that the majority in the Supreme Court were right in answering the first of the two questions referred to them in the affirmative.

That is to say, the effect of the decision of the Supreme Court, afterwards confirmed by the Judicial Committee of the Privy Council, was that sections 4 and 70—the latter being the section providing penalties for infractions of the Act—were ultra vires of the Parliament of Canada. Although the question asks whether the sections are ultra vires of the Parliament of Canada, and specifically inquires as to whether "any and what part or parts of the said sections" are ultra vires of the Parliament of Canada, the Privy Council has contented itself with stating that sections 4 and 70 are ultra vires. The result is that the validity of sections 4 and 70—and, by consequence, of the whole Insurance Act, because section 4 is a basic and fundamental section of the Act—is impugned by the decision of the Privy Council.

The Privy Council has not stated whether any particular provision or provisions of section 4 of the Insurance Act are intra vires; it simply states that section 4 is ultra vires, but it is to be gathered from the context of the judgment of the Privy Council that the Judicial Committee is of the opinion that it is beyond the powers of Parliament to require a provincially incorporated insurance company to obtain a license from the minister, even if the company extends its business to provinces other than that by which it was incorporated. I may say that the existing Act, that is to say, the Insurance Act of 1910, withdraws from its application the provincially incorporated company which restricts its business to its own province, but requires it to obtain a Dominion license in the event of its extending its business beyond that province; that is to say, under the Dominion Act of 1910, a provincially incorporated company doing business solely within its own province was not required to obtain a license, but if it extended its business beyond the confines of its province, then by section 4 of the Insurance Act it was required to obtain a license from the Dominion Government. The most important change in the new Bill, therefore, arising out of the constitutional question—and I am discussing the constitutional question and the amendments necessary to meet the decision first—is the withdrawal from the application of the Act of all provincially incorporated companies save those which voluntarily obtain a license from the minister. Just let me repeat that. The new Bill, now before the House, excludes from its operation provincially incorporated companies whether they carry on their business solely within the province or beyond its jurisdiction. It seems to be necessary that they all should be excluded in order to come within the requirements of the judgment of the Privy Council. In order to meet the case of provincially incorporated companies which may desire voluntarily to take out licenses under the Dominion Insurance Act, provision is made in the Bill whereby such companies, if they elect to come in, are regarded as Canadian companies for the purposes of the Act.

I think I can summarize in a sentence what I have said as to provincially incorporated companies. The effect is that unless a provincially incorporated company voluntarily seeks a license under the Act, it is completely exempt from the provisions of the Act; but if it seeks and obtains such

a license, it becomes a Canadian company, and so becomes subject to the Act to the same extent as those Canadian companies originally incorporated by Parliament.

There is another question of an important character involved in the decision of the Privy Council and dealt with in this House, and that is as to whether the Dominion Parliament has jurisdiction to require a foreign insurance company—and by "foreign" I include British—to take out a license even in a case where a company desires to carry on its business only within the limits of a single province. The answer which the Privy Council gave upon that side of the case was that it was "within the power of Parliament, by properly framed legislation"—I am reading from their lordships' decision—to impose such a restriction as it appears that such power is given by section 91 of the British North America Act, which refers to the regulation of trade and commerce and to aliens. In other words, their lordships say that by properly framed legislation the Dominion Parliament may enact legislation of an authoritative and binding character upon foreign insurance companies, and they found that jurisdiction upon section 91 of the British North America Act, which, of course, in the division of subjects between the provinces and the Dominion, allocates to the Dominion the subjects of trade and commerce and aliens. The suggestion, however, of their lordships that the Dominion might do this by properly framed legislation is an intimation that the existing legislation is inadequate, and therefore the sections of the Bill now before the House which require British and foreign companies to obtain a license under it are so worded as to show that the power assumed is taken under the heads which I have mentioned, namely, trade and commerce and aliens. This Bill, before being brought before the House, has received the most careful consideration on the part not only of the Insurance Department, but of the Deputy Minister of Justice and of outside counsel, in order to bring its provisions within the judgment of the Judicial Committee in the insurance case, and strictly within the powers of enactment of the Dominion Parliament. That is all I have to say upon the constitutional aspect of the matter. All the constitutional changes are to be found in sections two to twelve, inclusive, of this Bill.

Mr. McKENZIE: The question as to the right of locally incorporated companies to do business in other provinces than that in which they are incorporated has been back and forth before the courts for a number of years, and it has also been before the Privy Council. I am not familiar as to how that question stands now, and that question is involved in the question that the minister is now discussing. Suppose an insurance company, incorporated by the province of Ontario, starts to do business in the province of Quebec, would this Government have a right to give that Ontario incorporated company a license to do business in the province of Quebec? I understand the minister has taken power by this legislation to give that Ontario company such a license. I would be afraid that we would have no jurisdiction to enable a local company that has power to do business only in Ontario to go into Quebec or any other province to do business there.

Sir THOMAS WHITE: I am sorry that owing to the noise in the Chamber I have not succeeded in making myself heard by my hon. friend. Under the existing Insurance Act, which is the Act of 1910, the Dominion Parliament, by section 4, assumed jurisdiction under which it required a provincially incorporated company doing business outside of the limits of the province incorporating it to take out a Dominion license.

That has been held to be unconstitutional by the decision of the Privy Council in the Insurance Case. In the new Bill, which repeals the old Act and which is now before the House, the Dominion Government will have no jurisdiction over a provincially incorporated insurance company doing business within the province which incorporated it, or doing business outside that province; but a provision has been inserted in the Bill whereby if a provincially incorporated company voluntarily submits itself to the jurisdiction of the Dominion, it may be licensed.

Now I come to the other amendments which, while they are of an important character, will probably not prove contentious. They have been introduced in order to remedy defects which have disclosed themselves from time to time in the administration of the existing Insurance Act. Without going into details, I may indicate the amendments in general terms as follows. The definition of "explosion insurance" is enlarged to include insurance against damage caused by bombardment and other damage incidental to war. There has been a considerable demand for protection against these hazards, and the amendment here made follows amendments made in many of the laws of the United States.

Then there is an amendment under which a license may be granted for any of the six classes of insurance mentioned in the existing Act, excluding life insurance, and by providing that subject to the approval of the Treasury Board additional classes may be added the total number of classes combined in any license however, not to exceed ten. The old section was found to be cumbrous and difficult of interpretation. It was our intention two years ago, when I introduced legislation on this subject, to have this part of the Act amended.

There is also an amendment to the present provision which prohibits a company empowered by its charter to transact at least life insurance and fire insurance from obtaining a license for any class of insurance in Canada unless it has a paid-up capital of at least $300,000, a surplus at least equal to 20 per cent of the paid-up capital, and unless the market value of its stock is at a premium of at least 20 per cent. As many British companies are operating on a capital of less than $300,000, but maintain a very large surplus, this section of the existing Act has been found to operate somewhat unfairly in debarring these companies from obtaining licenses in Canada. A British insurance company, for instance, with a capital of $200,000 only and a reserve of $500,000 would be debarred under the present Act simply because its paid up capital was less than $300,000. That is an anomaly which we are removing in the present legislation.

Mr. CARVELL: What limit do you make?

Sir THOMAS WHITE: The amendment provides that such companies which have an unimpaired capital may on complying with such conditions as may be required by the Treasury Board, including the maintenance of deposits in excess of that ordinarily required, obtain licenses under the Act. The maximum amount of excess deposit which may be required is left at $200,000, as in the existing Act, but the minimum excess deposit of $50,000 for a license for fire or life insurance, and of $10,000 for a license for other classes has been removed. I may say that this has been done upon the recommendation of the Superintendent of Insurance who has gone into the matter carefully. It seems to me to be on the whole a wise amendment.

Then provision is made to permit of contracts of fire insurance and automobile insurance being combined in a single policy.

There is a further provision prohibiting any company from issuing a financial statement including in the surplus of the company the amount of the subscribed or paid up capital, unless the amount of such subscribed or paid up capital is specifically stated and mentioned as included in the surplus. It also requires that a statement containing figures showing the amount of the subscribed capital shall also show the amount paid thereon, and if the statement shows the authorized capital, it shall also show the subscribed and paid up capital. The amendment is designed to abolish the practice, somewhat common, of issuing financial statements showing huge surpluses to policyholders, which surpluses are made up almost wholly of subscribed but unpaid capital. For instance, a company may have a subscribed capital of $2,000,000, but a more or less worthless set of shareholders. Now if that company shows in its statements to the public its subscribed capital, we are making it show its paid up capital, also the idea being, of course, to protect the public.

Then there are some important amendments arising out of conditions disclosed at the time the Union Life Insurance Company became insolvent and was wound up. The House may remember that the Superintendent of Insurance became liquidator, and as the result of reinsurance effected with the Metropolitan Life a great catastrophe was averted. There were some 150,000 or 160,000 policyholders in that company. It carried on "industrial" insurance. We found that the present Act does not lend itself to insistence by the Superintendent of Insurance upon reinsurance. It is very difficult when a company becomes insolvent to force the directors to take the action which is necessary to protect the policyholders. The action that is indicated in most cases of that kind is clearly reinsurance, but there was no provision in the Act of 1910 empowering the Superintendent of Insurance or the minister to say to the directors of the company in a clear case, after every opportunity has been given to put the company in a solvent condition, "Now you must reinsure." We are now taking power to do that. It was found in connection with the Union Life that it was possible under the existing Act to make improvident contracts extending say over a course of twenty years. If the company was thrown into insolvency the holder of that contract would rank for the value of his contract with other creditors upon the proceeds. It was felt by the Insurance Department and by the Government that there should be legislation to prevent the entering into of contracts of that kind, and there

is provision in the present legislation to meet that situation. It relates, of course, to contracts burdensome to companies.

Then we have a section which deals with the powers of investment of insurance companies. In section 58 it is provided, in subsection 2, that any provincial company which obtains a license under this Act and which has unauthorized securities among its investments, shall dispose of the same within five years from the date of the issue of the Dominion license. Under the present Act provincial companies obtaining a Dominion license probably retain the powers of investment granted by their provincial charters. It is now proposed that such companies obtaining a Dominion license shall have their investment powers curtailed or enlarged to conform with the provisions of the Act.

That is to say, if a provincially incorporated company, by its own voluntary action, submits itself to the jurisdiction of the Dominion, then its power of investment must be curtailed to conform to the investment requirements of the Dominion Insurance Act. There are other provisions which limit the power of a Canadian company to invest in the stock of any other company which is transacting, or authorized to transact, the same class of insurance. That is to prevent interlocking, so to speak, of directorates and businesses. Then we have the further protection to policy-holders, and to the public, in that we have provided that the directors of the company shall be responsible for the replacing of certain unauthorized investments. It has been specially drawn to the attention of the department and to the minister that directors will, notwithstanding the plain terms of the Insurance Act, make unauthorized investments, and the Superintendent of Insurance does not become aware of it until the damage is done. Under the present Act, there appears to be no effectual provision for dealing with directors who make such unauthorized investments, and we have attempted to remedy that in the present Bill.

There is another important amendment, relating to hail insurance companies. Some of these companies have been carrying on business without proper safeguards, so far as the public is concerned. I do not make a sweeping statement, but I say that some of them at all events carry on business without providing an adequate reserve fund. In this Bill there is provision that Canadian companies shall accumulate their profits until a reserve fund is established equal to at least 50 per cent of the premiums received during the preceding calendar year. That is a necessary safeguard in the interests of the public, and especially of the farming community who take out hail insurance.

There are further provisions in the new Act, giving the Insurance Department and the Treasury Board greater share of control over insurance companies in the organization stage. Without going into details, I may say that these safeguards are similar to those thrown around the organization of banks, under the Bank Act. Hon. members may recall that that subject was discused pretty fully before the Banking and Commerce Committee on the last revision of the Bank Act, and subsequently in the House.

This is an important measure, involving the re-acting of the present Insurance Act, with the amendments which I have indicated. I should not have brought it down this session, the House being engaged principally in business arising out of the war, save for the fact that the administration of the Act is paralyzed on account of the doubt cast on the entire legislation by the decision of the Privy Council. I may say, further, that it is not possible to accomplish what we have in mind by a mere amending of the Act, because it has been necessary to define terms and use phraseology not used in the existing act, and as a result we have been obliged to bring down a Bill covering the entire field.

Mr. MARCIL: I understand the minister's declaration to mean that a company incorporated by a provincial legislature is fully authorized to carry on business within the province, without any control from the Dominion?

Sir THOMAS WHITE: Yes.

Mr. MARCIL: Without a license, report, inspection, or anything at all?

Sir THOMAS WHITE: That is the position.

Mr. MARCIL: I am very sorry to hear that, because it is contrary to the public sentiment in Quebec and is a very bad provision. I think, if all insurance companies were made responsible to the Dominion it would be in the public interest.

Motion agreed to and Bill read the second time, and referred to the Select Committee on Banking and Commerce.

CRIMINAL CODE AMENDMENT RESPECTING INSURANCE.

Hon. C. J. DOHERTY (Minister of Justice) moved the second reading of Bill No.

54, to amend the Criminal Code Respecting Insurance.

Mr. GRAHAM: Explain.

Mr. DOHERTY: This Bill is in reality the complement of the Bill which has just been read the second time on the motion of the Minister of Finance. Substantially, this Bill makes it an offence under the Criminal Code for any person to engage in the business of insurance, unless he has obtained, or is acting on behalf of a company which has obtained, the license provided for in the Bill which has been read the second time. There is just one enacting provision; the others are details. The reason this matter is dealt with by an amendment to the Criminal Code is, perhaps, to be found in the observation which the hon. gentleman from Bonaventure just made in connection with the other Bill, namely, that it is a matter of general public interest that there should be effective supervision and control over the business of insurance throughout the Dominion of Canada, and so important was it that there should be that control effectively exercised, and so much was the public exposed to serious deception, entailing serious loss and damage, if there were not that control, that it would be a perfectly proper thing to look upon it as a public wrong—in other words, a crime—for a company to carry on that business without subjecting itself to the supervision and control provided under the Insurance Act. It may be said that that might very well be provided in the Insurance Act. I am not prepared to dispute the soundness of that proposition, but it was thought well, in view of some things that were said in the course of the litigation to which the Minister of Finance has referred, to make it quite clear that Parliament, in taking upon itself to make it an offence to carry on the business of insurance otherwise than in conformity with the provisions of the Insurance Act, was dealing with the matter as a public wrong, and that, in enacting legislation providing for punishment Parliament should avowedly and expressly proceed under its power to deal with the criminal law. I do not desire to suggest that the same argument might not have been made, and perhaps just as effectively, if these provisions had been embodied in the Act itself. But it was thought wiser, in view of past experience and the result of previous legislation, to take every precaution that could be taken to meet the suggestion that the legislation might perhaps be open to question as coming under any other powers of this Parliament, by making it quite clear that Parliament, at all events as far as its views of the matter and the manner in which it approached it might bear upon it, looked upon the matter and dealt with it as a proper subject for criminal legislation and in the exercise of its exclusive power to deal with the criminal law.

Sir WILFRID LAURIER: What was the charge against the individuals who were brought before Judge Leet and in regard to which he said that this Parliament had exceeded its authority?

Mr. DOHERTY: They were prosecuted under section 4 of the Act of 1910 which required the issue of a license and prohibited the carrying on of insurance or soliciting insurance risks, or adjusting of risks, or taking part in the insurance business by insurance companies except under a license under the Dominion Act, or by persons acting on behalf of these companies, or others holding licenses under the Dominion Act. Judge Leet held that there was no power in the Dominion Parliament to require the taking out of a license in order to entitle one to carry on the business, and, in his judgment, there being no such power under the British North America Act, it followed that nobody might be liable to the penalty for carrying on business without the license that was required. I am speaking now, in so far as that particular case is concerned, only from memory, but I think that when the judge dealt with the case the question that arose simply was whether it was within the power of the Dominion Parliament, in the exercise of the authority conferred upon it to legislate for the regulation of trade and commerce, to undertake to regulate the carrying on of the insurance business in a province. Looking upon the enactment itself as resting on that power, and in his judgment such legislation not being in the exercise of the power for the regulation of trade and commerce, he held that disposition to be ultra vires and in consequence dismissed the complaint. As my hon. friend the Minister of Finance (Sir Thomas White) said, that case never went any further, but I think the fact that the case had been brought and judgment had been rendered was one of the matters taken into consideration which led to the question of the validity of the two provisions of the Insurance Act under which that prosecution was brought being submitted to the courts for determination. The whole matter was disposed of by the Supreme Court

and finally by the Privy Council upon a reference by this Government to
4 p.m. the Supreme Court in the first instance of the question of the constitutionality of this particular section, and the fact that this judgment had been rendered by the magistrate was, I think, one of the many other circumstances which led the then Government to consider that it was a proper thing to have the question submitted and decided.

Sir WILFRID LAURIER: What was the final judgment rendered by the Privy Council? There was so much noise that I could not hear the Finance Minister.

Mr. DOHERTY: As the Minister of Finance pointed out, the Privy Council held, affirming the judgment of the Supreme Court, that section 4 of the Act of 1910 was ultra vires of the Parliament of Canada, that the Parliament of Canada had no constitutional power to enact section 4 which prohibited the carrying on of the insurance business generally save by companies obtaining licenses from the Government of Canada or by persons acting on behalf of such companies. The Privy Council held that in that general enactment the Parliament of Canada had exceeded its powers. I have not before me the text of the judgment, or the reasoning that leads up to this finding, and which is endeavoured to be met in the provisions of the Bill which has just passed its second reading.

Sir WILFRID LAURIER: I repeat that there was so much noise, and the accoustics of this House are so bad, that I could not hear. But, I understood my hon. friend, the Minister of Finance, to say that their lordships of the Privy Council had expressed the opinion that this Parliament would have the power to pass properly framed legislation.

Sir THOMAS WHITE: I was dealing with the question of foreign insurance companies carrying on business in Canada. Their lordships expressed the opinion that the Dominion Parliament, under its jurisdiction as to trade and commerce and aliens, could pass legislation requiring such companies to take out a license before they could carry on business in Canada, and their lordships expressed the view that the Dominion Parliament could do that on properly framed legislation. That seemed to imply that the legislation at present existing, that is to say, the Insurance Act of 1910, was not properly framed. In this Bill they have endeavoured to so frame the legislation as to bring it within the terms of their lordships' judgment. In the section dealing with foreign insurance companies Parliament assumes jurisdiction by special reference to its powers under section 91 of the British North America Act relating to trade and commerce and aliens. With regard to provincially incorporated companies, their lordships' judgment appears to be clear that the Dominion Parliament has no authority over these.

Mr. GRAHAM: What I have to say might properly have been said when. my hon friend the Minister of Finance (Sir Thomas White) had his Insurance Bill before the House. We seem, by this judgment of the Judicial Committee of the Privy Council, to have got the insurance business into somewhat of a muddle. I am srory, that is the position. It strikes me that the better way, on behalf of the public, is to have the insurance business controlled by one head and that head the Insurance Department of the Dominion. Under this decision we seem to have five different standards. We have the provincial company operating in the province in which it has got its charter; we have the company with a provincial charter operating outside of its own province; we have the foreign one operating in one or two provinces; then we have the federal one operating anywhere in Canada. The difficulty is a bit serious. The company with a federal charter is subject to all the restrictions of all the Insurance Acts passed by this Parliament and it must be admitted that these restrictions, while necessary, are quite severe in some instances. That is, while they protect the public, they hamper some businesses that might be considered legitimate by the ordinary business concern but are not so considered on account of the ramifications of the business of an insurance company. Now we have the provincial company operating in competition with the federal company without these restrictions. It strikes me that it would be almost necessary, if it were possible, for the provinces and the federal authority to get together and arrive at some basis of restriction which would be incorporated in all the Acts because if that be not done, two companies side by side and doing business with the same people may be operating under different Acts altogether, which would not be for the public good and certainly would not be for the good of the companies. The provinces, of course, under section 92 of the British North America Act, have the

right to impose licenses where a company is operating within their borders, whether it be a federal company or a provincial company. Each province, generally speaking, has given to municipalities in it the right to impose further taxation, so that the federal company finds itself now in the position of having to take out a license with the Dominion, another with each province, and another with each municipality, making the company that has a federal charter a much more expensive institution to conduct than the one that takes out a provincial charter.

There is another question that strikes me as important, and perhaps the minister has provided for it in his Bill. Under the present Act, no company gets credit in its report for re-insurance in another company that has not a federal license. Now the question will arise immediately, will this Bill provide that re-insurance in a provincial company, though it has not a federal charter, will be credited to the company taking out that re-insurance when it comes to make its report to the Finance Department. It is a serious matter, particularly to younger companies. I suggest to the minister that this is something worth thinking about in arranging the details of this Act, because he can readily see that many provincial companies may have charters, and I am inclined to think that they will in many instances confine themselves to the provincial charters, as the provincial restrictions are not now as severe as those imposed on federally-incorporated companies. Before the Bill goes into committee, I would suggest to the minister that he think that matter over, as it is one of vital importance.

There is one more point, which the minister and I have discussed privately, that is the valuation of securities held by these companies. Under the present system of the department, which has prevailed for very many years, when the valuation of securities comes to be made at the end of the year, the market values at the time the report is made are taken as the basis of valuation. Under present conditions, with the war on, some securities fluctuate very materially. Take a municipal security purchased some years ago when the rate of interest was low. Now that security is gilt edged, there never will be any default; when it matures it will be paid, one hundred cents on the dollar. Under the present system only the price that the security would bring in the market at the present time is allowed by the department. One can readily see that with the present demand for money, the Dominion Finance Minister himself being a competitor in the money market, the price of money has very materially increased, and the municipal or other security of the company paying a small rate of interest is naturally low-priced; while its intrinsic value remains the same, it has perhaps depreciated ten points or fifteen points in market value, and the company holding that security has deducted from its assets the loss in market value of this security. I rather criticised that method of making the valuation before the war, but surely it is worthy of consideration at the present time. We might consider whether, under all the circumstances, that rule could not be deviated from as liberally as possible, because the minister can see, perhaps better than any person else, that a young company will show a loss perhaps from the fact that its investments are gilt edged municipal securities, whereas if it had invested in other securities not of the same intrinsic value it might show a gain because of the present fluctuations in the value of such securities. I suggest to the minister that in the framing of his Act he should endeavour to find some means of meeting that difficulty, because the situation may become quite serious if carried to an extreme. At my request, the minister has had a line added at the bottom of the annual report pointing out the re-insurance in foreign countries, so that notice is taken of it; but it is not included in the totals, and people lose sight of that—particularly a competing agent always forgets to read that line to his prospects.

Motion agreed to, and Bill read the second time.

Mr. DOHERTY: I move that this Bill be referred to the Banking and Commerce Committee. As I pointed out, it really is a complement of the Insurance Bill proper, and I think it can be most conveniently dealt with at the same time and by the same committee.

Motion agreed to.

BUSINESS PROFITS WAR TAX AMENDMENT.

Bill No. 57, to amend the Business Profits War Tax Act, 1916, Sir Thomas White, read the second time, and the House went into committee thereon, Mr. Blain in the Chair.

On section 2—unimpaired reserve, rest and accumulated profits at beginning of

accounting period to be deemed capital while used as such:

Sir WILFRID LAURIER: What is the effect of this section?

Sir THOMAS WHITE: When the business profits War Tax Bill was under consideration last year, we determined that it would be just to include as capital, unimpaired reserve and accumulated profits. The question has been raised during the past year by one or two firms as to whether, instead of determining the amount of capital at the commencement of the accounting period as including capital ordinarily so-called, unimpaired reserve and accumulated profits at that date, the computation should not be made also in respect of the profits earned from month to month or even from day to day. When the Bill was under consideration it was regarded as proper to fix the date at which accumulated profits might be taken as capital as at the beginning of the accounting period. The provision is not a very important one, but it is desirable in order to give effect to the intention of Parliament when the Bill was passed last year.

Sir WILFRID LAURIER: I asked the question because I have been communicated with by some firms interested in the matter. They were afraid that under this provision they might have to pay taxes more than once upon the same capital; that there would be overlapping from one year to another. I apprehend that this will not be the case?

Sir THOMAS WHITE: No.

Section agreed to.

Bill reported.

UNIVERSAL RADIO SYNDICATE, LIMITED.

Hon. J. D. HAZEN (Minister of Marine and Fisheries) moved the second reading of Bill No. 69, to repeal the Ocean Telegraph Act. He said: I explained this proposed legislation when the resolution upon which it is based was under consideration. Under the Ocean Telegraph Act, which was passed in 1913, an agreement between the Governor of Canada and the Universal Radio Syndicate, Limited, was confirmed. Under this agreement the syndicate was to establish one radio station in Canada and one in Great Britain for the transmission of messages at rates not to exceed certain stated amounts, and the Government agreed to issue the necessary license for that purpose. The syndicate deposited £10,000 with the Government, £5,000 of which was to be returned to the syndicate when it had expended $50,000, $25,000 of which was to be expended in Canada. The balance was to be repaid to the syndicate upon the completion of proper equipment and the satisfactory operation of the stations in the United Kingdom and in Canada, the Government to allow interest on the deposit at the rate which the banks allowed the Government upon its deposits. The syndicate also had the right, under the agreement, to be thereafter incorporated. They made the required expenditure, and $25,000 of the deposit was returned. Owing to the outbreak of war the syndicate was unable to float a company to operate the stations and to acquire the necessary apparatus. The syndicate being in urgent need of money, the Governor in Council, having regard to the value of a second transatlantic radiotelegraph service, and after consultation with the British Post Office authorities, loaned the syndicate, at their request, the sum of $15,000, to bear interest at the rate of 5 per cent and to be repaid on May 1, 1915. An official test of the service which was conducted on January 27, 1915, established that the operating speed and general performance of the station was not up to the standard called for by the agreement. Payment of the balance of the deposit was accordingly withheld. The syndicate is now quite unable to carry out the terms of its agreement, and the Governor in Council has refused to exercise the power under the agreement of purchasing the station, though at present use is being made of the station in Canada, which is situated in Newcastle, N.B. It is now proposed to repeal the Act and to return to the syndicate the balance of the deposit, less the amount due for the loan made by the Crown.

There are only two sections in the Bill, one repealing the Act and the other authorizing the return of the amount of the deposit now in the hands of the Government. The company is now in the hands of a receiver, but the Marconi Company have made arrangements with the receiver to take over the station, thoroughly equip it and make it first-class in every way. Before doing so, however, they wish us to repeal this Act, to relieve the station of any lien we may have upon it, and to return the balance of the deposit which is in our hands. To accomplish this is the purpose of the Bill.

Hon. RODOLPHE LEMIEUX (Rouville): Mr. Speaker, personally I am glad that this legislation has been introduced by my hon.

friend, and I will support it very cheerfully. The Marconi company has an excellent reputation throughout the world, and I believe the Marconi system, firmly established in Canada as it is in Europe, will result in giving cheaper rates for the transmission of messages between America and Europe. I am not surprised that the Poulsen system has not been a success. When that legislation was introduced in 1913 by the former Postmaster General, Hon. Mr. Pelletier, I ventured to predict that he was moving too quickly in the matter, and that the Poulsen system, from what I had heard in Europe at the time I was negotiating for cheaper cable rates, was far from being up to the mark. He chose, however, to proceed with his legislation, and he promised us wonders as the result of the establishment of that system in Canada, but the net result of his efforts have been that we have had no system at all and that there has been the old cable monopoly. The Marconi system will, I believe, be a real benefit, and will tend to bring about a reduction in the rates. We need competition in this regard. The Administration of which I formed part, is responsible for the reduction in cable rates which took place between Great Britain and Canada. It was at our request that the cable companies gave first the cheap rates for the press, secondly the cheap week-end rates, and thirdly, the deferred cables, which also mean a reduction in the rates; but I said that at that time that if we could make arrangements with the Marconi company, we would create such a competition in Canada in the rates between Canada and Great Britain that before long the consumers would feel that the expense of corresponding by means of Marconigram or cablegram was not too great.

I am glad that this matter has been transferred from the Post Office Department, which apparently has no head at the present time, to the care of the Minister of Marine and Fisheries, because he is most progressive and he stands very firmly for British connection, and one of the aims I had when I advocated cheap cable rates was the promotion of closer connection between Canada and the Mother Country. We have in Western Canada especially, and also in Eastern Canada, a large proportion of British immigrants, and this country will, in the years to come, receive a large influx of immigrants from the British Isles. Although the postal rates have been increased on account of the war, they will be reduced again to the penny standard; and whilst we have cheap postal rates, yet for the benefit of our British immigration we should have cheap Marconi and cheap cable rates also. One of the men who worked most energetically in favour of those cheap rates was the late Sir John Henniker Heaton who sat for 24 years in the British House of Commons, and who was called the Postmaster General-at-Large of the British Empire. Through his efforts and through the efforts of my predecessor, Sir William Mulock, penny post was established, and afterwards the question of cable and Marconi rates came before the Imperial conference each time it met. The House will remember that on many occasions resolutions more academic than practical were adopted by the House, and I do not know whether at the conference which the Prime Minister attended this year a similar resolution was adopted to that adopted on previous occasions. At all events this is a step in the right direction, and I hope my hon. friend in granting this privilege to the Marconi company will see to it that the work is proceeded with, that the rates are duly controlled by him, and that such measures are taken that the consumers in Canada shall benefit by those rates.

I happen to know the gentlemen who are interested in the Canadian Marconi Company, and I may say that they are most responsible, they belong to the best elements in our business community; and I dare say that under their leadership we shall have before long a really cheap rate for correspondence by means of Marconigram between Canada and Europe, and that in this way we shall establish a competition which will bring the cable companies to their senses.

Mr. W. F. MACLEAN (South York): Mr. Speaker, I remember when the legislation was introduced in this House by the late Postmaster General, and I heard my hon. friend (Mr. Lemieux) address the House on that question. I also spoke, and I took the stand then that, instead of making a deal with this private company, we should devote our efforts and our energies to the establishment of a cheap state-owned or Empire-owned cable system with a view to a better service between the mother country and America. I said further that I had no doubt at that time that this company, which had entered into an arrangement with the Government which arrangement has now fallen down, was, at bottom, in alliance with the great cable monopoly that

controls the service in every part of the world.

Mr. LEMIEUX: That is quite possible.

Mr. MACLEAN: A report has been presented by the commission, of which the Minister of Trade and Commerce (Sir George Foster) is a member, in favour of an Imperial cable system. We have such a system now between Australia and Canada, and for years we have been asking for an Empire-owned system between Canada and the mother country, and all the time somebody is putting it off. This proposal which was introduced some years ago and which has now failed according to the statement made here to-day, has proved this, that it was for the purpose not of giving good service, but of blocking for a time a publicly-owned service.

Instead of adopting the report of the Royal Commission we are now dealing with another privately-owned company; the problem will never be solved in that way. I think the minister in introducing this legislation should acquaint the House with the report made by the Royal Commission, of which Sir George Foster was a member. The report shows that by reason of the war and the increase in trade there should be an Atlantic cable owned by the state. That is where the paying traffic is. Whenever anybody proposes public ownership of a public utility the invariable answer is: Try it out in some outlying place. We tried out a cable on the Pacific at great cost to Canada and the other contributors to the proposal, though ultimately, I believe, it proved successful. Canada owes it to herself, and the Mother Country owes it to herself, to have no more transactions with privately-owned cable companies, but immediately to build our own cables, or as soon after the war as possible. If we are in a position to-day to hold our own in this war and control the cables, it is not because of any prevision on the part of Canada or the Mother Country. Most of our cables are privately-owned, but they happen to land in the Mother Country, and very properly the Mother Country has taken possession of them. I think it is the case that the cables of the world are practically owned by a large corporation in the United States, probably the same corporation that controls the Bell Telephone. The great menace to the world to-day, especially in these times of war, is that the entire cable service is in the hands of private corporations. It has been repeatedly brought to the attention of the House that it would be in the interests of Canada and the cause we have at heart to bring these utilities under public ownership. I pointed out many years ago that the greatest monopoly in the world at that time was the Eastern Cables Company when it was controlled from England. It had great influence with the bankers' institutions and with the British Government, and in every other direction. There would always be two or three directors who were ministers of the Crown in the Mother Country. Up to to-day that company has absolutely succeeded in preventing the inauguration of an Empire-owned cable between the Mother Country and Canada. There are cables to-day between Canada and Newfoundland and the Mother Country but they are owned by the great monopoly which is controlled from Boston ,and no effort is being made to break that monopoly. It is practically the strongest in the world to-day, stronger, perhaps, than the metal combine with headquarters in Germany.

Mr. A. K. MACLEAN: There are two or three cable companies; are they all under one control?

Mr. W. F. MACLEAN: They are all under one control. There is a telephone, a telegraph, and a cable monopoly in the United States, and they are all under one management, and that management is outside of the Empire although they do the Empire's business. We are continuing to trifle with this question. I wish I had the report of the Royal Commission here. Has the minister a copy of it?

Mr. HAZEN: Not here.

Mr. W. F. MACLEAN: It was distributed in blue-book form to the members only the other day. In any event the commission reported in favour of an Imperial cable service. We all know that the merit of a publicly-owned cable service is that it gives a wide service at cheap reates; it does not exist to make profits, but the privately-owned cable has been used largely for profits and not for service.

I approve of what the hon. member for Rouville (Mr. Lemieux) did when he was Postmaster General to get a reduction in cable rates, but he did not proceed in the right way, and we are not proceeding in the right way to-day. If we wish to serve the Empire we must get control of the cables. There is cheap telegraphy in parts of the world to-day because of State ownership, and if we wish to strengthen the Empire and

bind it together I know of no more effective way than a state-owned cable system, for the reason a cheap cable service is of great importance in the forming of public opinion. What is the ruling force in the world to-day, and what will be the ruling force when this war is over? It is public opinion. And you can only get an immediate transfer of world-wide public opinion by a cheap cable service placed at the disposal of the press for the transmission of news and of opinion. But we have not got it yet. For some reason there is always some private company coming along to paralyze the effort for a national system of cables. What I said when this matter was first introduced in the House is confirmed by the report of the Royal Commission, which has reported in favour of a world-wide system of state-owned cables. At present we are dealing with the Marconi Company. That may be a good company, but it has been on the boards a great number of years now, and it has spent a great deal of money, and you never know when they may fall into the hands of a bigger combine. There is no protection to the public at all, except the splendid protection afforded by control of the landing stations.

What was done in the United States? There was a great wireless system direct between Germany and the United States. Probably it was privately owned. Some sort of censorship was exercised over it by the American Government, but nobody knows to what extent that wireless system was used against us, and we never shall know until the war is over. But the day came when the American Government took hold of the landing station and the apparatus in the United States, and that has probably had a great influence on the war. But we are still continuing to deal with private companies; we are letting them make money, and every now and then we get terms and concessions from them, but we are not getting what we ought to get. We talk about winning the war, and taking care of our interests and strengthening our world-wide influence, but we shall not make any headway until we avail ourselves of public ownership of the cables. Until we do that, we have not learned the lesson, and we shall not achieve any substantial results.

Again I urge upon the Government not to be a party in any sense to helping the private companies. Let us have public ownership, public control, and public construction of cables for the benefit of the Empire and for the benefit of the business of this country. It does not cost much to build cables. There is at least one great cable-layer in the service of the cable companies, and probably more, and there are great plants which make a business of manufacturing cables. But they are all in private hands; they are all in collusion; they are all interlocked in one way or another. Perhaps some of the great newspapers have been in the combine. One cable for the relief of the world was started by newspaper influence, but it fell into the hands of the combine. That is the situation to-day.

In this war the great wireless service was in the control of the enemy, the office in the United States was in the control of the enemy, and wireless messages were being sent for the benefit of what proved to be the enemy, and we do not know yet what happened, because the American Government cannot expose what they discovered going on in that wireless service for the benefit of people who proved to be the enemies of the United States. I think that out of this situation, and out of the good understanding which has been reached between Great Britain and the United States, the time has come—and this is the time—to have a publicly owned wireless service, and to take advantage of any and every different line of service, to get them into the hands of the State and the Empire. We must prevent an enemy, or a foreign country, controlling this service. The business itself can be best developed by public ownership and public direction, and by making it part of the great system of Imperial communications. That French word "communication" is a good word, in that sense which applies to all this great service, and public communications of that kind ought absolutely to be in the control of the post office. I hope we shall soon have the land lines in this country. If there is to be such a service, and a distribution of public opinion daily by means of a cable service, it must be done, not only by state-owned cables, but by state-owned land lines, and right in our own country. We propose to improve the service for our papers by having a state-owned line in Canada, or by the Government leasing the wire from one of the private companies. Why not do away with this roundabout method and be up to-date and progressive, by having public ownership of these things? I have been in this House more than twenty years, and have been advocating public ownership for that length of time, but there is not much headway made yet, and there is no promise

of headway in this measure introduced to-day. There is no mention of that splendid report I referred to in favour of the state ownership of the cables and wireless. There is always the hidden hand of the cable monopoly, putting up proposals of one kind and another for new devices and new patents that somebody is to own. The state is to subsidize, but the state is not to control. Let us get rid of all that. We have to get rid of it to maintain our position and to have the organization that Germany has. Do hon. gentlemen think Germany would ever build wireless lines throughout the world and give control of them to private companies, or allow private companies to have control over them? No, they would own them themselves, and we ought to have them. It is not to the credit of Great Britain to-day that all the cables that serve that country happen to be owned by corporations in the United States. It is true that all the cables and all the land lines in America, outside of our Canadian lines—and they interlock with these—are owned by American monopolies, and they join together in this raid on public ownership of cables. That is the condition to-day, and it will continue. The result will be that we will make no progress. The time has come for us to stop making concessions to any privately-owned company, and not to turn any kind of property over to them, but to take it for the state, if we put any money into it. I do not suppose we can do much just now, but I want to look at that report of the Imperial Commission, and see how strong the recommendation is for state ownership of the cables. This is the time to begin, and having that report already in hand, I would suggest to the minister that he consult his colleague who is a member of that commission, who heard the evidence, and was a party to the finding made in favour of state ownership of cables covering the whole Empire. Let us have the cheapest possible transmission of messages for the Government in carrying on its business, for the press in diffusing information, and in so strengthening public opinion that it will be able to express itself every day on every great question so emphatically that an autocratic government like that in existence in Germany to-day will have to bow to public opinion and cease attempts to bring the rest of the world under its domination. That is the game of Germany to-day. She has not succeeded, and it is because we have protected ourselves, that we have not been at the mercy of these cable systems, and that they have not been used against us. We do not know even yet, by reason of our censorship, that we are protecting our own interests, because this private interest has run all through the world, just like that metal monopoly which centres in Germany and runs through the world. It has had a bad influence in the way of creating this great world-wide munitions industry. You will find that the same metal monopoly played its part in connection with the manufacture of cables. They have the factories that make the cable lines, and the ships that lay the cables, and the conspiracy goes on. We subsidize them, and never bring them to book, but allow them to continue. In view of these facts and our experience, and the report made by the Imperial Commission, I would like to hear from the Government at the very earliest day, that it is their intention to work out the recommendations of that report, and to have a public-owned cable system, and on the Atlantic to begin with—whether, by wireless or cable under the sea, I do not know, probably by both. There may be new inventions, but certainly the time has come when the state ought to own them. We ought to take over the land lines in Canada. With state-owned land lines and state-owned cable or wireless service on the Atlantic—we have a state-owned cable on the Pacific—we will show what state ownership can do in this matter. See how quick the Americans, in regard to their naval organization, have been to adopt the wireless telephone system, which is probably the greatest invention of the day. American warships, by reason of certain stations that have been built in the United States using wireless, have been in a position to deliver messages by 'phone, and to recognize voices, I believe, for 20,000 miles over continents, across seas and in every direction. If there are inventions which would cheapen the service and protect the State and Empire, is it not time we had them, instead of leaving them in the hands of private corporations who seek to make money and who happen to be in the United States?

It is a good thing that to-day the United States is in with the Allies. It also has control of a lot of these companies. It is by grace that we have had that protection and not by reason of state foresight. I say again, as I said before, that the time has come for state ownership and there should be no more transactions with private companies. This particular transaction is a

proof of what I said four years ago, when the Bill went through the House, that it was in substance a stall-off and a postponement of the time when the wireless system should be developed by the state. That has proved to be the case and no headway has been made. We are just as far ahead to-day as we were twenty years ago when the question first came up.

Mr. LEMIEUX: With your leave, Mr. Speaker, I would like to say to my hon. friend—

Mr. SPEAKER: The hon. gentleman has already spoken.

Mr. LEMIEUX: I know.

Mr. SPEAKER: The hon. gentleman may put a question but he is not permitted to speak again.

Mr. LEMIEUX: I wanted to make an explanation to my hon. friend from South York (Mr. Maclean). My hon. friend seemed a little surprised at my attitude to-day having regard to the attitude I took when the Ocean Telegraph Bill was introduced a few years ago by Mr. Pelletier, then Postmaster General. My hon. friend states that then I advocated state ownership while to-day I do not offer any objection to a private company. I still stand for state ownership in this matter of cables and if it were not during the war I might perhaps urge upon the Government the necessity of having a state-owned cable under the Atlantic ocean. I wish to say further, that I suspect, as my hon. friend does, that there was some Ethiopian in the fence when that Bill was introduced by Mr. Pelletier. The Poulsen company has no standing in Europe to-day while the Marconi company is the only company that has made any progress in the matter of wireless telegraphy. If I support the Bill introduced by my hon. friend the Minister of Marine and Fisheries, it is because I happen to know the personnel of this company. It is composed of men of substance and men of the highest financial and business standing. I think this country, as all civilized countries, owes a debt of gratitude to Marconi for the many lives he has saved on the wide ocean since he established his system for the equipment of steamships. Mr. Speaker, I am done, but I wish to remind my hon. friend that the rates for cables and wireless will now be controlled by the Railway Commission. The other day, when my hon. friend was away, I moved before the committee revising the Railway Act, that the rates on cables and wireless should be under the control of the Railway Commission, the motion was adopted and I hope the recommendation will be adopted by the House. I thank you, Mr. Speaker, for the indulgence.

Motion agreed to, Bill read the second time and the House went into committee on the Bill, Mr. Blain in the Chair.

On section 1—Ocean Telegraph Act c. 52, 1913, repealed:

Mr. W. F. MACLEAN: Four years have elapsed since we were promised a great service and this promise has not been fulfilled. What does the Government propose to do? Will the minister having charge of this Bill say whether he has read, or consulted with his colleagues in regard to, the report made by the Imperial Commission on the public ownership of cables?

Mr. HAZEN: This Bill is introduced after having been submitted to the consideration of my colleagues in Council. It is submitted with their approval, and, as it involves the return of money, it must have, and it has, the approval of His Excellency the Governor General. It simply seeks to repeal the Act of 1913 because the Poulsen company have failed to carry out the agreement they entered into. Their works—on which a very large sum of money has been expended—the company now being in liquidation, are to be taken over by the Marconi company which will make the necessary expenditure to make the plant and appliances efficient, and the work of transmitting cables from Canada to Ballybunnion on the north-west coast of Ireland will be carried on. It is represented to me by the gentleman who represents the Canadian Marconi, and in whose bona fides I have every confidence, that the company will expend at least $100,000 on improvements to the plant at Newcastle in New Brunswick and another large sum on the improvements to be made at Ballybunnion, and they expect within a short time, with the improvements that they contemplate making, to be able to render very efficient service. The passage of this Act will in no way interfere with the consideration of the larger question referred to by my hon. friend from South York (Mr. Maclean) in regard to Government ownership of a cable line from Canada to Great Britain. As I understand it, the Post Office Department of Great Britain was not willing to consider in 1913, the establishment of another cable, in view

5 p.m.

of the amount of money that was involved; but with this wireless system it was hoped that the country would get a system that would be of very great value without costing the country a single dollar. Up to the present time this has not cost the country a dollar and with the improvement to be instituted by the Canadian Marconi company they hope to be able to give an efficient wireless system across the sea. I agree with a great deal of what my hon. friend has said regarding this question, but it does not seem to me that the time when the efforts of the country are being strained almost to the breaking point for the carrying on of the war is the time to consider such a large expenditure as would be involved in the proposal suggested. This is one of the great questions that ought to be considered. I myself am in sympathy with the idea of a cable line between Canada and the Mother Country that would be owned and controlled entirely by the British and Canadian Governments.

Mr. W. F. MACLEAN: I have listened with great interest to what the Minister of Marine and Fisheries has said. But, again, I point out to him, with reference to what he has said to the effect that for some reason the Imperial Government was not prepared some years ago to go into this enterprise because of the expense, that it is the big monopoly that whispers this into the ear of the Imperial Government and every other Government. It urges the enormous expense of going into this business in order to avoid a disturbance of its monopoly. We were told that four years ago when we struck out the monopoly and when we wanted to get cheaper rates. We have not got them but we have this report now from the Imperial Trade Commission which is printed in an English blue-book and the information in which is being circulated through the press. The cost is not so much and the cable will pay from the start if you put it where the paying traffic is. The paying traffic is between America and Europe. It would not lose a dollar. Even if we stepped in and cut the rates in two, the interest on every dollar of the investment would be paid twice over. While I accept the explanation of the minister, I am still looking for some initiative in the direction which we undertook four years ago but in regard to which we have not accomplished anything as yet.

Section agreed to.

Bill reported.

[Mr. Hazen.]

MEAT AND CANNED FOODS ACT AMENDMENT.

On motion of Hon. J. D. HAZEN (Minister of Marine and Fisheries), the House went into Committee to consider the following proposed resolution, Mr. Blain in the Chair.

That it is expedient to amend the Meat and Canned Foods Act, chapter twenty-seven of the statutes of 1907, as amended by chapter thirty-eight of the statutes of 1910, and to provide, that all fish and shellfish canneries shall be inspected, and all fish and shellfish packed in cans shall be subject to inspection during the whole course of preparation and packing, and marked and labelled as prescribed; that the canning of any particular fish or shellfish unfit for human food may be stopped at any time, and that all fish and shellfish used for canning shall be sound, wholesome and fit for human food, and unsound or unwholesome fish or shellfish may be seized on view by any inspector; that the size and contents of lobster cans and the designation of British Columbia salmon shall be as prescribed; that canneries not complying with the law may be closed; that no person shall offer or accept for export or shall export any fish or shellfish subject to inspection unless the requirements of the Act to be based on this resolution and of the regulations regarding inspection and marking have been complied with, and proof is furnished as to inspection and marking; that all canned fish or shellfish imported into Canada shall be labelled as prescribed, unless imported to be exported again; and that any can of fish or shellfish not so labelled or marked before being offered for sale shall be forfeited and may be seized.

Mr. HAZEN: About two years ago, the administration of the Meat and Canned Foods Act, so far as concerns canned fish and shell-fish, was transferred from the Agricultural Department to the Department of Naval Affairs by Order in Council. It was felt that the carrying out of the operations of the Act so far as concerned fish and shell-fish would be better done under the administration of the department which has charge of the fisheries. The work has been carried out up to the present time by the fisheries inspectors throughout the country without additional salary. It has been found that in connection with their ordinary duties it is quite possible for them to inspect the different canneries, having regard to the provisions of the Meat and Canned Foods and Fish Act. But our experience during the past two years has shown that the Act requires a number of amendments to make it adequate for the fish canning business, and it is for this purpose that I am asking the House to adopt this resolution and a Bill to be founded on it.

Mr. LEMIEUX: What is the meaning of the reference to the British Columbia salmon?

Mr. HAZEN: The statement that they are to be as prescribed, means as prescribed in the Bill. That refers to the fact that in British Columbia there are a great many varieties of salmon, the cohoe, the humped back, the spring run and the dog salmon. We are going to change the name of the dog salmon and the humped back salmon. The names by which they are now known have actually had an adverse effect upon their market value. People think that fish with such names must be inferior. We are going to classify them in a different way. In another Bill, to amend the Fisheries Act, we intend to change the name of the dogfish. That fish is an excellent article of food when canned, yet no one will eat it in our country, and if it were canned and placed on our markets no person would buy it. In the United States they are now canning the dogfish in very considerable quantities as an article for human food. They have changed its name by resolution to the greyfish—it is a fish of a greyish colour—and we propose in a Bill amending the Fisheries Act to change the name of dogfish to greyfish so that there shall be one name in universal use on this side of the Atlantic ocean, a name that will not convey an objectionable idea.

Mr. KYTE: Is not the minister perpetrating a fraud upon the public?

Mr. HAZEN: I do not think so. A rose by any other name will smell as sweet, and I think the dogfish will smell much sweeter as a greyfish than as a dogfish.

Mr. LEMIEUX: Is it not a Shakesperian fraud? What's in a name?

Mr. MARCIL: Is the minister going to authorize the canning of dogfish?

Mr. HAZEN: There is no objection to it under the existing law. The objection is a practical one, that if you can it and call it dogfish no one will buy it.

Mr. MARCIL: Is there any canning done now under the name of greyfish?

Mr. HAZEN: Very little I think. There have been some experiments. One beneficial result of the canning of this fish will be to reduce its numbers. It is at present a very serious menace to all other varieties of fish, as it is very voracious, being in fact a small shark.

Mr. SINCLAIR: Why does the minister propose to specify the size of the lobster cans? Is that done with respect to other fish?

Mr. HAZEN: I think that the sizes of cans for other fish are prescribed now.

Mr. SINCLAIR: Have the lobster canners been consulted?

Mr. HAZEN: Yes. Before the amendments were finally decided upon, copies of a draft Bill were sent to those engaged in the industry and the amendments have been under consideration of the department and of the Fisheries Advisory Board for nearly two years. Both the department and the board strongly recommend the adoption of these amendments and they have been decided upon in the light of the criticisms received upon the original draft to which I have referred.

Mr. SINCLAIR: To whom were they sent?

Mr. HAZEN: I venture to say that all of those engaged in the industry in a large way received copies.

Mr. SINCLAIR: Have the Fishermen's Associations made any recommendations to the minister?

Mr. HAZEN: The Fisheries Advisory Board, of which a large number of fishermen are members, have very strongly reported in favour of the Bill.

Mr. SINCLAIR: I understand that the Fisheries Advisory Board is a departmental body.

Mr. HAZEN: It is appointed by the department and is composed of men who, serving without remuneration, meet two or three times a year and consult with the officers of the department with regard to practical fisheries questions.

Mr. SINCLAIR: Will this proposed legislation require the presence of an inspector in each canning factory?

Mr. HAZEN: It does not involve any additional expense. The work can be done by the present officers of the department.

Sir WILFRID LAURIER: How can that be, having regard to the terms of the resolution?

Mr. HAZEN: I think that our officials have time enough to do it. I will give more information on that subject later.

Mr. MACDONALD: In my county we have four fishery inspectors and at this season of the year about 25 factories are in operation. Is it intended that those in-

spectors, within their own divisions, shall assume these duties, in addition to those which they already perform?

Mr. HAZEN: The language of the Bill is not that the factories shall be inspected, but that they shall be subject to inspection during the whole course of preparation and packing. It is open to any inspector at any time to go to one of these factories or canneries and see that the work is being properly done. The Bill does not require that he stay there and watch the whole operation.

Mr. SINCLAIR: That is his duty now, under the Act.

Mr. HAZEN: It is not the duty of our fishery inspectors now. When the Act was passed it had no reference to inspection under the Canned Foods Act, which was placed under the administration of the Department of Agriculture. Our inspectors were appointed for other purposes. The administration of that portion of the Act which has regard to the fishing trade having been placed under the administration of our department, it is necessary for us to pass an Act giving our inspectors additional power with regard to the inspection of these canneries.

Mr. SINCLAIR: There are about 150 miles of sea coast in my constituency and along the harbours there are 25 or 30 packing places. Only two inspectors are available to cover that whole length of coast, and if an inspector were to spend a day or so in each of the factories, about the best he could do would be to call about once a month. Even then he would be doing a great deal of travelling and be kept very busy. The inspection, therefore, will be very perfunctory indeed; inspection during the whole course of packing cannot be done by the present staff of officers.

Mr. HAZEN: They have really done no inspection in the past along these lines.

Mr. SINCLAIR: The inspector calls at the lobster factories to see that the law is carried out; that the canning place is kept clean, and that seed lobsters are not packed. I do not think that the present staff of officers can do any more than that.

Mr. KYTE: Were not certain regulations passed by the department some years ago fixing the standard with respect to the equipment and care of lobster factories, and were the inspectors not asked to carry out these regulations?

[Mr. Macdonald.]

Mr. HAZEN: I think there was something of that kind.

Mr. KYTE: This resolution provides that all fish and shell-fish canneries shall be inspected; I assume that that is being done now. While the fishery officers in Nova Scotia are, no doubt, efficient in the discharge of their duties, I scarcely think that they are sufficiently expert to carry out the duties imposed upon them by this resolution. The lobster factories extend over a large territory, and the fishery officers find it rather difficult to get over the ground within the fishing season. I can scarcely imagine that one fishery inspector would be able to carry out very effectively in his district the regulations provided by this resolution. While the employment of additional inspectors for this work is not contemplated by the minister, I assume that he has in mind the increasing of some of the salaries of the fishery officers who are to discharge the duties mentioned in the resolution.

Mr. HAZEN: I shall go more fully into the details when we are in Committee on the Bill. Before the Bill comes to its third reading I shall consider whether it is desirable that this matter be referred to the select standing Committee on Marine and Fisheries. The subject might receive fuller consideration in that way than it would be the Committee of the House.

Resolution reported and concurred in.

Hon. J. D. Hazen thereupon moved for leave to introduce Bill No. 73, to amend the Meat and Canned Foods Act.

Motion agreed to, and Bill read the first time.

FISHERIES ACT AMENDMENT.

On motion of Hon. J. D. Hazen (Minister of Marine and Fisheries) the House went into committee to consider the following proposed resolution, Mr. Rainville in the Chair:

Resolved,—That it is expedient to amend the Fisheries Act, chapter eight of the statutes of 1914, and to provide that no one shall operate a fish cannery for commercial purposes without first obtaining an annual license therefor on payment of the prescribed fee; that the provision requiring that in British Columbia the site of any reduction works engaged in the manufacture of oil or other commercial products from sea-lions, sharks or dog-fish, is not to be within fifty miles of any other reduction works used for a similar purpose, shall be repealed; that fish guards in British Columbia, Manitoba, Saskatchewan and Alberta, the Northwest Territories and the Yukon Territory, shall be provided where the minister

may deem necessary in the public interest; that no one shall leave any port or place in Canada to fish outside the territorial waters of Canada for fish the catching of which is at such time prohibited in the territorial waters of Canada opposite to or nearest the place where such person proposes to fish, and no one shall bring into Canada any fish caught outside the territorial waters of Canada when fishing therefor is prohibited inside the territorial waters of Canada opposite or nearest to the place where the same was caught, or shall bring into Canada any vessels, boats, nets, fishing gear, implements or appliances used in such fishing, but the rights granted to the citizens of any foreign nation by any treaty or convention shall not be thereby affected; that the name "dog-fish" shall be changed to "grayfish," and that when the minister so requests, full and particular returns shall be furnished by every fish-curing or canning establishment or fresh fish business, fishing vessel, weir or trap owners.

Mr. HAZEN: The object of the resolution is to make certain amendments to the Fisheries Act. The first section of the Bill that I purpose introducing has reference to the licensing of fish canneries. It is to be provided by that, that:

No one shall operate a fish cannery for commercial purposes without first obtaining an annual license therefor from the minister. Where no other fee is in this Act prescribed for a cannery license, the annual fee for each such license shall be one dollar.

At present the Fisheries Act requires salmon canneries and lobster canneries to be licensed; it does not require licenses from any other class of fish canneries. The canning of clams is now being carried on to a small extent, there being, I believe, about half a dozen such canneries in this country. There are a number of sardine canneries, and the canning of haddock, herring and other fish is being conducted in a small way, but gradually growing. The object of this requirement is to have all canneries properly enrolled so that the department can adequately follow their operations. The Meat and Canned Foods Act applies to them, and the fishery officers are required to see that its provisions are carried out. The fee is merely nominal, so that there will be no objection from that standpoint. This requirement was recommended by the Advisory Board, and its object is to place all canneries on the same basis as lobsters and salmon canneries, by requiring them to take out a license and putting them under the control of the department.

The second section refers to the question of fish guards, and that is a subject that applies to the provinces of British Columbia, Manitoba, Saskatchewan and Alberta, the Northwest Territories and the Yukon Territory, where at the present time it is absolutely obligatory under the Act for all irrigation ditches to be screened. In places where irrigation works are being carried on and irrigation ditches running into streams or into canals, it is necessary that there shall be a screen placed at the outlet of the irrigation ditch for the purpose of preventing fish from the stream or canal from going into the ditch and thereby being destroyed. Several of these ditches are so located that they are not dangerous to the fisheries, and as screens need to be under constant supervision to prevent their becoming clogged with debris, the existing requirements put the owners to much useless expense and trouble. The amendment leaves the requiring of such screens with the minister, as is the case regarding the fishways in dams throughout the country.

Sir WILFRID LAURIER: Is there any danger of that in the Yukon?

Mr. HAZEN: The Yukon is mentioned as one of the places where there are irrigation works, but I must say that until I saw this memorandum, I was not aware that any such works were being carried on there, and I would not think it was at all likely. As it is now, it is obligatory that these screens be placed in all those ditches, and it has been found that in a large number this serves no good purpose. Therefore, we want the matter to be left so that screens will be put in those ditches where necessary, and that owners of land and ditches where screens are not necessary, shall not be compelled to go to the expense of putting them in.

The object of the third section is to enable the department properly to control regulative fisheries which are partially conducted outside and partially inside territorial waters. Our Act and regulations cease to be effective at the outside limit of the territorial waters, but by preventing boats leaving the shore to fish outside at a time when they may not fish inside, or of bringing to shore fish taken outside at a time when such is not permitted inside, the position can be controlled.

Mr. SINCLAIR: Will the minister state what kind of fish that refers to?

Mr. HAZEN: During certain seasons of the year, there is a close season for lobsters; no one can fish for lobsters during that time within the territorial waters of Canada, that is to say, within three miles from the shore. But there is nothing to prevent any one from going outside the three mile limit and carrying on fishing operations, thereby greatly injuring the

fisheries at a season of the year when lobsters are in what is known as the soft state, that is, when their shells are not completely formed, or when they are breeding.

Mr. SINCLAIR: Would not those lobsters be liable to seizure when brought into a harbour?

Mr. HAZEN: That is the situation. Up to the moment we have not actually found it impossible to prevent fishermen from fishing outside when they may not fish inside, but such is being talked of more and more, and it is desirable that we should have the necessary power to prevent it. Although we have prevented it there may be doubt that we have the legal power to do so; we want to make really lawful what we have actually been doing for the protection of the fisheries in that section.

Mr. COPP: Will the minister say whether, under the present law, he is not entitled to seize fish caught outside the three mile limit?

Mr. SINCLAIR: Men are constantly being fined for having lobsters in their possession out of season.

Mr. HAZEN: There is very grave doubt as to our right to seize such fish. The next section refers to dogfish. Dogfish is now admitted to be a good fish, but its name is against its being commonly used. In the United States the name has been legally changed to "grayfish," and it seems desirable that this name should be adopted in Canada as well.

The next section is to assure the obtaining of correct statistical information. All the information contemplated is at present being procured by the fishery officers, but as it is not obligatory on those engaging in the industry to furnish it, sometimes it happens that it is delayed or that difficulty is experienced by the officers in procuring it. There is nothing new in the information asked for, the provision merely making it obligatory that such information shall be furnished so as to enable the officers to get it without trouble. So far as the lobster fishery is concerned, such information has been for years required by law, but it is not required by law with regard to other fisheries.

The last section is merely to harmonize the section with section 4 hereof, by substituting the name "grayfish" for "dogfish."

It might be desirable also to have this Bill referred to the Committee on Fisheries, so that perhaps more careful consideration might be given to it than is usually accorded a Bill in Committee of the whole House.

Mr. SINCLAIR: Is there any scientific reason for this name? Is there not a fish called the grayfish?

Mr. HAZEN: There is a grayling, which is a small sporting fish, and is caught, I believe, quite extensively in the streams and lakes of British Columbia. Then there is a fish found in New Brunswick, in Loch Lomond, as to which scientific opinion is divided as to whether it is a grayling or originally a salmon, that got locked in those waters and has since deteriorated in size. This new name has been adopted in the United States.

Mr. SINCLAIR: How are you going to compel people to use this name?

Mr. HAZEN: I think they will soon get the habit.

Mr. SINCLAIR: Do I understand that the regulation as to the quantity of fish caught is to be compulsory?

Mr. HAZEN: The idea is to make it compulsory. I will read the section as proposed:

> The owner or manager of every fish curing or canning establishment or fresh fish business, and the captain or owner of every fishing vessel, and the owner of every fishing boat, fishing trap, weir or other fishing instrument in Canada, shall, at the request of the minister or a fishery officer, furnish a true return covering the period specified by the minister or such fishery officer, of the whole or any one or more of the following particulars:—
>
> (a) All fish caught;
> (b) All fish bought;
> (c) All fish packed or canned;
> (d) The value of the fish caught, bought, packed or canned;
> (e) The number of fishermen employed;
> (f) The number of shore workers employed;
> (g) The number and value of the fishing vessels and boats employed;
> (h) The quantity and value of fishing gear used;
> (i) The number and value of buildings and fixtures used;
> (j) Such other details and particulars as may be required by the minister or such fishery officer.

Mr. SINCLAIR: Is any penalty provided for not filling in the return?

Mr. HAZEN: There is a provision in the Fisheries Act providing penalties for violations of the law, and I think that would cover the case my hon. friend mentions. I may say that these changes are recommended by the fishery officers.

Mr. SINCLAIR: Has this information to be given under oath before a magistrate?

Mr. HAZEN: There is no provision at present requiring the information to be given under oath.

Resolution reported, read the first and second time, and concurred in.

Mr. HAZEN thereupon moved for leave to introduce Bill No. 74, to amend the Fisheries Act.

Motion agreed to, and Bill read the first time.

CUSTOMS ACT AMENDMENT.

Hon. J. D. REID (Minister of Customs) moved the second reading of Bill No. 67, to amend the Customs Act.

Mr. E. M. MACDONALD (Pictou): May I ask whether the Government of Manitoba have been advised of the intention to introduce this measure, and whether there has been any correspondence with them in regard to it? Otherwise, it seems to me, this Parliament should not be called upon to take away from the provincial government of Manitoba the legal right which it now possesses. The enactment of retroactive legislation of any kind is objectionable, and can only be justified in extreme cases for the purpose of removing an injustice of some sort. I think that retroactive legislation which expressly declares its intention to be the taking away of existing legal rights should be most carefully considered. The Crown in right of the province of Manitoba has certain privileges and rights, and has had them ever since Confederation. Speaking the other night my hon. friend said that a certain practice had grown up and that the question of the legal status of the province in regard to payment of duties to this Government had not been raised. One can very readily understand that. In early Confederation days public ownership of public utilities was not thought of, and the imports of any one province for any particular purpose would be infinitesimal, and naturally the question of the payment of duties would not be raised. But as the years went on the provincial governments assumed various powers, and their importations have necessarily increased. In Manitoba, for instance, they have a government telephone system, and the whole trend of legislation, particularly in the West, has been in the direction of governmental control; consequently there have been importations of goods which in the older days would not have been thought of. So much for the general principle.

My hon. friend also told us in the debate on the resolution that the Manitoba government and two other provincial governments had previously raised the quesiton, and that again recently the Manitoba government had expressly asserted that they were not called upon to pay these duties, and that there was no right under the law to make them pay them. This Bill expressly takes away from them their right of action.

Mr. REID: Oh, no.

Mr. MACDONALD: Then what is the object of the Bill? I rose more particularly for the purpose of ascertaining whether this legislation was being passed behind the back of the province of Manitoba. I certainly think the Attorney General of the province should have been notified; the ordinary courtesies as between governments require that that should be done.

Mr. DOHERTY: This Act is declaratory, and, so far as it is declaratory, it declares what the law was in the past, and I suppose, therefore, may have applied to it the word "retroactive." The hon. gentleman complains of this provision being made retroactive, and he explains, in his argument in support of his attack on the retroactivity of this measure, precisely why there should be no objection to the retroactive provision. This measure is retroactive only in so far as it enacts that the Customs Act is to be read as applying to the Crown. It is not retroactive at all in any other respect.

Mr. MACDONALD: That is a pretty important respect.

Mr. DOHERTY: That happens to be the point which this province raised, or on which it contended it was not liable. The hon. gentleman says they did not do it in the past, because they had small importations, and it was not worth while. It is only as to the past that it will be retroactive. It is not retroactive for the growing commerce, which is coming in the future. The hon. gentleman claims there was not any object in raising the question in the past. It is only as to those cases in the past where the provinces themselves, as the hon. gentleman explained, did not think it worth while to raise any question, that this enactment will be retroactive. All that it will do, in so far as it is retroact-

ive, will be to prevent the province raising a question they never thought about raising for the purpose of recovering back from the Dominion money which they paid voluntarily. They quite acquiesced in the right of the Government to collect this money. The real, substantial question which arises between the provinces and this Dominion is whether there is power in Parliament to impose customs duty on importations made by the Crown in the right of the province. Who is right or who is wrong in that question will not be affected in the slightest degree in this legislation; because, as I pointed out the other evening, we shall have no more power to impose taxation on the Crown, if this be taxation, and we shall have no more power to collect customs duties from the Crown in the right of the province—if that power is vested in us under the British North America Act—because we mention it here, than we had before. As regards the substantial question at issue between the provinces and the Dominion, this legislation will not alter the position one iota. If, before this legislation, Parliament had no power to impose duties on imports into the provinces, it will have no right now. The purpose of this legislation, so far as it is to take effect in the future, is to place the question beyond doubt, that to the extent that Parliament has power, it is exercising that power to impose duties upon importations by the Crown. The retroactivity of the measure produces only this result: that the province will not be entitled to demand a refund upon a ground that it never dreamt of raising, and which it has not raised to the present day, but bases the argument upon the purely technical pretext that the Crown was not mentioned in the statute. The province will not be entitled to demand from the Government a refund of the customs duty, which, in the past, the province has paid, as the hon. gentleman says, because the duties were not worth talking about. I do not know whether that is correct or not. Whatever their reasons were, in the past they paid voluntarily, without raising any question.

Mr. SINCLAIR: Has Manitoba refused to pay the customs duty?

Mr. DOHERTY: Manitoba proposes to bring in certain merchandise, and claims that it comes in free of duty. The contention of the province of Manitoba will not be affected in the slightest degree by the retroactivity of this legislation. I am informed by the Minister of Customs that that is what has taken place just now, and it will be covered by the Act when it becomes law. So that this bugbear of retroactivity amounts simply to this: we come now to provide—and in our opinion it is necessary—that our duties should attach to the importations of the Crown, and especially mention the Crown, in order that, when we are dealing with this particular matter, the provinces will not be enabled to say to us, "Technically you had no right, because the Act did not mention the Crown, and we want our duties back."

Mr. SINCLAIR: Have any of the provinces imported any goods duty free in the past?

Mr. DOHERTY: So far as I can ascertain, duties were paid upon whatever dutiable goods the provinces imported, and they raised no question until this particular point came up, save on one occasion, in 1909, and at that time the contention on the part of the Government making the claim was not accepted by the then Government of Canada, and, if I understand rightly, they submitted to the law. They have always paid duties in the past.

Mr. LEMIEUX: Does my hon. friend not think, in view of the apparent conflict that would exist between the federal and provincial authorities in this connection, that some time should elapse before the Bill is passed, and that there should be some official correspondence between the various provincial government so as to apprise them of the danger?

Mr. REID: I do not think we should postpone the operation of the Act for that reason. The provincial governments, when they were importing goods, claimed that under section 125 of the British North America Act, they should not pay the customs duty. We replied, of course, taking issue with them as was done in 1909 and again in 1916. They then asked for a fiat. I am advised by the Justice Department that there should be a provision that goods imported by the Crown are dutiable, and it has been the practice for many years to treat them as dutiable. The Dominion Government has been importing goods and duties have been collected for a number of years, but still the law does not say the Crown shall pay duty, and the same system has been in force, in so far as the provincial governments are concerned since Confederation, and yet there has never been a provision in the Customs Act that the Crown

should pay duty. As I understand, the issue is now being raised. It made no difference, so far as the Dominion Government was concerned, if any question were raised, because it would be one department as against another, but now the provincial governments, which are the Crown also, raise the issue, and, as I understand it, the issue will be tried ont in the courts.

It is the duty of the Dominion Government to put itself in a proper position when the issue comes before the courts. Then, when we have on our statute book the provision that goods imported by the Crown for the Dominion or the provincial governments are liable to customs duty, the question will be tried out before the Privy Council as to whether we have the right to collect customs duties on goods imported by the Crown in the right of the provincial government.

Mr. LEMIEUX: You want to bar action by the provincial governments?

Mr. REID: No, they have the right to take action without the consent of the Dominion Government. This does not prevent them going on with their action exactly the same as if the statute had not been passed. But the Privy Council will decide whether we can legally collect the duties after having placed on the statute book a provision that provincial governments are liable.

Mr. MACDONALD: Although you admit that you cannot collect now because the Crown was never mentioned in the Tariff Act.

Mr. REID: I do not admit anything of the kind. I say that we can, but at the same time they have raised the issue that we cannot. To put ourselves in a proper position when the issue is raised before the courts we ask that a provision be put on the statute book that the Crown is liable for duty.

Mr. MACDONALD: And that it has always been liable?

Mr. REID: As far as the retroactive part of it is concerned, if the Privy Council decides that the British North America Act entitles us to collect duties on goods imported by a provincial government for the reason that we have inserted in the Act a provision that they are liable, then the provincial government may come back with a claim from Confederation up to the present time, because at the time of Confederation we had not mentioned in the Act that the Crown should be liable for duty. The British North America Act, having been interpreted by the Dominion and provincial governments in a certain way up to the present time, and no one ever having raised the question that is raised now, if the Privy Council decides that we have that right, it does not seem fair that the provincial government should then come along with an action simply because it was not inserted in the Customs Act at the time of Confederation that the Crown should be liable.

Sir WILFRID LAURIER: The question seems very simple. I remember a case that arose in the time of the late Government. The question was raised by one of the provincial governments as to whether they were liable for duty on goods imported by them. They claimed that they were exempt. We thought that in these modern days the Crown, like everybody else, should pay duty. The provincial government paid and the matter rested there. This Bill is to make it clear and certain that the Crown is liable, like every one else?

Mr. REID: That is it.

Sir WILFRID LAURIER: Very good; I agree with the Bill altogether, but if you have collected moneys in the past illegally, or if you have exercised powers which you ought not to have exercised under the law, what reason is there why you should not refund the money? You cannot keep the money that you are not entitled to. The Government cannot give such a bad example to the community.

At six o'clock the House took recess.

After Recess.

The House resumed at eight o'clock.

Motion agreed to and Bill read the second time, and the House went into committee on the Bill, Mr. Rainville in the Chair.

On section 1—Duties payable on Crown's goods.

Mr. PUGSLEY: I would suggest that my hon. friend allow the Bill to stand. The title of the Bill as introduced gives no indication of its purport; it is called simply a Bill to amend the Customs Act. If the minister intituled it a Bill to take away the rights of those provinces who have paid customs duties on goods imported for the Crown in respect of the provinces, that would have given some indication of its purport. But who would imagine that in a Bill to amend the Customs Act this retroactive provision would be inserted, intended to take away rights which may have accrued during the last fifty years, ever since Confederation?

I do think my hon. friend would be well advised to allow the Bill to stand for a short time in order to give an opportunity for the provinces interested to be heard. I am told by the hon. member for Pictou (Mr. Macdonald) that he has communicated with the Government of one of the provinces affected, but there has not been time to obtain a reply. It may be that no objection will be made, but it is a serious matter to pass retroactive legislation. The Prime Minister seemed to recognize the other night the force of that objection and said he would think it over and see whether our views could be met. The difficulty about retroactive legislation is that while it may not do any particular injustice in the present case, perhaps ten years from now somebody may come to Parliament with some measure retroactive in its character, and when objection is made it may be said: why in the Parliament of 1917, with a careful member like the Minister of Customs, retroactive legislation was introduced; the Prime Minister approved of it, it must be all right, as he would not think of doing anything wrong. It has a bad effect, it is injurious and unwise legislation which should never be resorted to except where it is absolutely neccessary in the public interest.

Sir THOMAS WHITE: It is not bad legislation in this case.

Mr. PUGSLEY: It is in this case. My hon. friend says it is necessary in the public interest to take away the rights of the provinces. I cannot agree. I would like to agree with the Minister of Finance but I cannot in this case. Am I to understand that the Prime Minister has not given favourable consideration to the objections made? If it is intended to press the Bill through the committee to-night, I shall feel it my duty as one member to interpose any possible objection that can be raised.

Mr. REID: I explained the situation just before six o'clock when the hon. member was not in. I have discussed the measure with the Prime Minister since it was up a short time ago and with the Justice Department again, and we feel that it is not doing an injustice to the provinces. Let me again explain the Bill as I understand it. This is an old question. In 1909 the Customs Department heard of this matter for the first time, when the deputy provincial secretary of the Nova Scotia Government addressed a letter to the Prime Minister in which he raised the question. He said:

[Mr. Pugsley.]

I am directed by the Provincial Secretary to inform you that the customs authorities here have been claiming and collecting duties on goods belonging to and imported by the Government of Nova Scotia. It is submitted that the property of the Crown as respects the province is not subject to taxation, and the Provincial Secretary would be glad to have your views on the question.

The following reply was sent to the Provincial Secretary by the Commissioner of Customs:

I have the honour to acknowledge the receipt of your letter of the 18th instant respecting customs duties on goods belonging to and imported by the Government of Nova Scotia. In reply, I am to state that goods imported by or for the Provincial Government are subject to duty under the Customs tariff.

We heard nothing more about it until last year when the question was again raised by the Quebec government and the same reply was sent to them. The matter rested there for a while, when the Manitoba government raised the question and we took the same stand, in each case having laid the matter before the Department of Justice. Now lately the Alberta government—

Mr. PUGSLEY: Have they been notified of this legislation?

Mr. REID: Not of this legislation, no.

Mr. PUGSLEY: You propose to take away their rights without notice?

Mr. REID: The Manitoba government have asked for a fiat. They wish the matter to be decided by the courts which means, of course, that the Privy Council will decide whether the Dominion Government have a right to collect duties on goods imported by the Crown through a provincial government. The Department of Justice take issue with the interpretation placed by these provinces on section 125 of the British North America Act. The Nova Scotia government has not decided to take this matter to the courts, although it has been before them since 1909, when they first raised the question. I do not know whether the case will ever go before the courts, but if it does, the Dominion Government feel that they should be in a position to have the case placed before the Privy Council in the clearest possible way. The Department of Justice say that, although we have been collecting duties on goods imported by the provincial governments as well as by the Dominion Government, yet it has not been stated in the Customs Act that duties imported by the Crown are subject to customs duties.

Mr. PUGSLEY: Therefore they have been illegally collected on two grounds.

Mr. REID: Not necessarily. We say not illegally. We interpret section 125 of the British North America Act as meaning that the provinces are not entitled to import goods free of duty. The reason we want this legislation is to have it in the Act that the Crown must pay duty. Then, when the case comes before the Privy Council, that is one point that must be decided, whether a provincial government is liable for duties under the Customs Act.

Mr. PUGSLEY: That is all right for the future.

Mr. REID: Yes. As for the past, from Confederation up to the present, that is the interpretation which both the Dominion and the provincial governments have placed upon section 125. Nova Scotia did raise the question in 1909, but immediately dropped it.

Mr. PUGSLEY: Alberta and Manitoba have raised it.

Mr. REID: They are raising it now. If it is decided that we are within our rights in collecting duties upon goods imported by the provincial governments, as we have done since Confederation, the provinces have no right to ask that they be reimbursed for the duties that we have collected in the past.

Mr. PUGSLEY: Their claim might be supported on two grounds, one of which you wish to legislate from under their feet.

Mr. REID: The Justice Department advised me strongly that this is the position we should be in if the matter goes to the courts.

Mr. PUGSLEY: We assume that the gentlemen who occupied the position of Minister of Justice in the past were aware of that most ordinary principle of law that the Crown is not bound unless it is expressly named. Parliament has never provided that the Crown as represented by the provinces should pay duty on goods imported by the provinces. Parliament, therefore, has recognized that under the Act of Confederation it is not right to compel the provinces to pay customs duties. The right of the provinces to reimbursement would rest on two grounds: First, that Parliament had no authority under the British North America Act to impose the tax; second, that Parliament during the fifty years since Confederation has not imposed the tax. The question is about to be raised in a court, and the minister is frightened. He thinks that, although the provinces may be wrong in their interpretation of the provisions of section 125 of the British North America Act, yet, because Parliament never provided that the Crown should pay taxes, the provinces may be entitled to recover their money. He asks the Minister of Justice, therefore, how to get around this. The Minister of Justice says: a very easy way to do it is by passing retroactive legislation taking away the rights of the provinces and declaring that the position shall be as if fifty years ago Parliament had made the Crown in the right of the provinces liable to the payment of customs duties. The minister purposes doing this without setting forth in the title of his Bill anything indicating its design and without giving the public the slightest intimation of what the proposed legislation is intended to accomplish. Nor does he notify the parties to the litigation of what is proposed.

Mr. REID: There is no litigation.

Mr. PUGSLEY: My hon. friend says that some of the provinces applied for a fiat; does that not mean litigation? A person having a claim against the Crown presents a petition to the Minister of Justice asking for a fiat. If the Minister of Justice thinks the case should be dealt with in the Exchequer Court, he recommends to the Governor General the granting of a fiat. The fiat is granted, and the proceedings are thereby commenced. If this were a matter as between private parties, Parliament would never intervene by passing legislation without giving both parties an opportunity of being heard. Yet the minister, because his party has a majority in this Parliament, proposes arbitrarily to take away the rights of the provinces by enacting this retroactive legislation, without the provinces having the slightest intimation of what is intended or the slightest opportunity of being heard. This proposed legislation is of a most objectionable character, and should not be passed. If my hon. friend's whole desire is to raise the question, let him enact this law for the future; then if the provinces import any goods they will have to rely solely upon the provisions of section 125 of the British North America Act. Any other course than this is absolutely unjustified, and I am sure would not have been recommended to Parliament by any Minister of Justice in the past.

Mr. DOHERTY: There never was a case which more clearly called for retroactive legislation, or more amply and completely justified such a course, than this. I should like to take my share of the indignation which the hon. member for St. John has poured upon the Minister of Customs. In justice to the Minister of Customs, I may say that he did not come to me and ask me for a way around this. I am entirely responsible for the suggestion of the legislation that has been condemned in such unmeasured terms—and I am not in the least ashamed. The provinces never raised this question at all; never suggested it; never had it present in their minds.

Mr. MACDONALD: How could you tell?

Mr. DOHERTY: If they did, they kept it in their minds and concealed it. They put forward only one contention: that they were not liable to pay duties under section 125. In the correspondence looking to a fiat or to some other method of legal proceeding, they never suggested this ground in the slightest degree. Since Confederation, Customs Acts have been passed applicable to all importations without exception. Importations by the Crown were not specifically mentioned, but, notwithstanding that fact, the Crown in the right of the Dominion clearly understood and admitted that the duties applied to themselves and to the Crown in the right of the provinces, and the provinces as clearly understood that, because they paid the duties without demur.

Mr. PUGSLEY: Is it not true that it is only within the last few years that the Crown in the right of the Dominion has begun to pay customs duties, and was it not a matter of expediency so as to show what were dutiable goods that came into the country? I venture to say that for forty years the Crown in the right of the Dominion never paid a cent of duty.

Mr. DOHERTY: I am told that about ten years ago the Crown in the right of the Dominion began to pay customs duties. I referred to the Crown in the right of the Dominion having paid, but it is not from that that I deduce that the Crown in the right of the Dominion believed they had a right to impose the duties. I believe they so understood from the fact that they collected the duties. Of course, the Crown in the right of the Dominion paying the duties is a mere formality in any event; that is a matter of the Crown in the right of the Dominion taking money out of its right hand pocket and putting it into its left. As to the question between the Crown in the right of the Dominion and the Crown in the right of the provinces, there is just one Crown after all, and the distinction is one between the Dominion revenue and the provinces being subject to contribute to that revenue.

Mr. PUGSLEY: Is not the ground upon which the courts found that where the Crown is not expressly named in an Act of Parliament, the Crown is not bound, based upon the idea that Parliament did not intend to include the Crown?

Mr. DOHERTY: That is what it is based upon.

Mr. PUGSLEY: It was not the intention of Parliament to include the Crown.

Mr. DOHERTY: I assented when the hon. member said he assumed, but actions speak much louder than mere assumptions, and the hon. gentleman says that the Ministers of Justice knew that that statement ought to have been in the Act, and that because they did not put it in we must take it for granted that they did not intend to do so. Marvellous to relate, we must take that for granted of all of those successive Ministers of Justice with the assent of all the successive ministers, their colleagues, including the hon. member for St. John (Mr. Pugsley), who sat in a Government the Prime Minister of which authorized the writing of a letter, in 1909, to say that those duties were legally collectable and refused to recognize the claim of the provinces. It is a serious imputation of bad faith upon the gentlemen who conducted themselves in that way for the hon. member to say: Oh, they knew all the time, and they fully intended all the time that there should be no liability. I say that their actions talk; I do not make such an imputation upon them.

Mr. PUGSLEY: I was speaking about Parliament.

Mr. DOHERTY: The hon. gentleman's distinctions are exceedingly fine. The hon. gentlemen is speaking of Parliament, but when he was speaking of what Parliament intended, he found it necessary, in order to demonstrate what Parliament intended, to fall back upon the argument that the successive Ministers of Justice knew that that statement ought to be in express terms; and that they did not put it in the Act and put the matter to Parliament in that way, therefore, says the hon. gentleman, Parliament deliberately intended not to in-

clude the Crown. Let me point out to him that the actions of all those successive Ministers of Justice shows what is the real fact, that it was the purest and merest oversight. Oversights have occurred in other cases, and I have not the slightest doubt that this was a pure oversight, and the action of all the successive Governments of the Dominion, including all the successive Ministers of Justice, show that it was an oversight; that they were not doing what the hon. gentleman said; that they were not, with the knowledge that omission left the Crown out, asking Parliament to pass Acts that were not to apply to the Crown. What happened was that there was this oversight, but the whole line of action shows that the intention was that those duties should be applied; and it is as fair to assume that Parliament knew that those duties were being applied, as it is to assume an intention based upon a purely technical rule of law, and, I think, will bring us to the truth. The matter was one of public notoriety; everybody knew it and everybody acquiesced in it. We must assume that successive attorneys general of the provinces knew that very simple rule, and still the provinces all acquiesced in it, and everybody recognized that this was a proper thing to ask for on the part of the Dominion Government and a proper thing to pay on the part of the provinces. And, now the hon. gentleman rises in indignation——

Mr. MACDONALD: The minister is aware in making his argument, which will practically serve as an estoppel, that it was not until 1895 or around that date that it was settled as a matter of law that the Crown existed is connection with the provincial Government. It was not until the maritime bank case was decided by the Privy Council and it was held that the Crown was present in provincial governments and that the Lieutenant Governors were not merely officers of the provincial governments. My hon. friend's argument, therefore, could not apply until after that was settled.

Mr. DOHERTY: That is about twenty-two years ago. And in the first place, might I suggest that the judgment of the Privy Council was known. Does the hon. gentleman not think there were some lawyers and some attorneys general and some Ministers of Justice in this country who knew what the law was before the Privy Council came to a decision. The Privy Council did not make law; it decided what the law was, and I myself had the pleasure of knowing a large number of very distinguished lawyers in this country who had not the slightest doubt that the Crown was a part of the legislatures of the provinces. It would have been remarkable, seeing that was the law, that we should at that time have produced no lawyers who knew it.

Mr. PUGSLEY: The Supreme Court of Canada decided the other way namely, that a lieutenant Governor was merely the representative of the Governor General.

Mr. DOHERTY: The Supreme Court of Canada made a mistake. We are being condemned because it is to be assumed that every Minister of Justice knew the law and had his mind on it and therefore did a particular thing. That is the argument of the hon. member for St. John. The hon. member for Pictou wants us to be condemned because we must admit that before 1895 all the attorneys general of the different provinces did not know the law or were mistaken about the law. I cannot see any great force in that argument, and I think it is a remarkable fact that if their acts rested upon a mistake in 1895, we have never, down to the present day, or to this moment, had a breath of suggestion from the provinces that they were not liable because the Crown was not mentioned in the statute.

They have not suggested that, and it is on their behalf that it is suggested now for the first time in this Parliament. This proposed legislation results from the fact that it was thought wise when the provinces raised one particular contention, resting their claim entirely upon that, and when because they raised that there was the possibility of our being brought into court, to guard against their ever raising this purely technical ground of which they had never thought and have not raised up to the present day. I entirely fail to see why there is ground for indignation because we propose to close the door against people coming now with belated claims to recover money which the Crown in the right of the Dominion collected in the past in perfect good faith, and which the Crown in the right of the province paid perfectly willingly. That is all we are seeking to do by the retroactivity of this legislation. To give sanction to what everybody understood to be the law, we are going to declare that the law was what everybody understood it to be.

Mr. PUGSLEY: And what my hon. friend does not think it was.

Mr. DOHERTY: I think there was an oversight. I want to give the hon. gentleman the full benefit of what he said and repeated a great many times. The provinces may have a right, upon a pure abstract technicality, to recover back money that was collected from them in good faith by the succeeding governments of this Dominion, and which they paid perfectly willingly and quite voluntarily. Technically, they may have the right to do that, because what they understood to be the intention of the law, what this Parliament and the Government of Canada understood to be the intention of the law, was by oversight inadequately expressed. The indignation is all because these provinces are having the door closed to their raising a claim to recover money that was collected quite honestly and paid without question, always leaving out the question of the power of this Parliament to impose those duties, which does not come into this legislation at all. What we propose to do is simply to give the sanction of this Parliament to everybody's understanding of the law during that long period of years, and not to leave the door open to the questioning of the application of that law so understood merely because there may be a technical ground upon which all these things that were done in the past in perfectly good faith might be disturbed. That, to my mind, is the ideal case for declaratory or retroactive legislation. This does not prejudice any right of the province in the future. It does not prejudice any right of any province to recover anything that it has paid upon the one ground which no province has ever invoked as entitling it to recover—on the ground that under the British North America Act there is no power in this Parliament to impose the tax.

Mr. PUGSLEY: My hon. friend seems to forget that the people of these provinces are not estopped by any failure there may possibly have been on the part of their government to assert a right. My hon. friend forgets the principle that the Crown is never estopped.

Mr. DOHERTY: I never talked about estoppel at all. It was the hon. member for Pictou who interpreted my words as referring to estoppel. I never claimed anything as resting on an estoppel at all.

Mr. PUGSLEY: I am sure the minister was perfectly well aware that the Crown was never estopped by delay or by laches. What its rights ever were, unless they have been released in some way, those rights still exist. The minister says that the governments of these provinces legally and properly paid what they ought to have paid, and that the claim that they might recover is purely technical. I fail to understand upon what ground the minister bases that contention. Either the provinces have the right to this money, or they have not. If Parliament has never imposed a tax upon them, surely their right to recover is not technical. Bear in mind that it is not the governments of these provinces who are to be debarred from their rights by this legislation; it is the people.

Mr. DOHERTY: It is the people of this Dominion whose rights we want to protect.

Mr. PUGSLEY: It is the people of the provinces who make up this Dominion, and to my mind it is scandalous for the Dominion Government to take advantage of its paramount power of legislation to take away the rights of the provinces. I am surprised that for such a comparatively small amount as is involved, a few thousand dollars, this Parliament will be called upon to exercise its paramount power of legislation and take away a right which may exist on behalf of the people of the provinces. That is not technical; it is substantial, and I care not whether any of these Governments has failed to put its claim on the two grounds. If there are two grounds, the fact that a Government has failed to put its claim on both grounds ought not to prejudice the people of the province. The men who are acting to-day are acting on behalf of the people of those four provinces, Alberta, Manitoba, Quebec and Nova Scotia. Now what have the people of those four provinces to do with the omission on the part of men who happened to be in the Government ten years ago, to put their claim on two grounds? If they have a claim on two grounds, what right has this Parliament to take away the claim, absolutely valid and absolutely legal, which they may have upon one ground, and say they must rest their case entirely upon the other ground? This Parliament has no right to do that, just because it is all-powerful, and that is the only ground upon which the Minister of Justice can put it. He can say, "We are all-powerful. Under the British North American Act we have the power to take away rights which exist to-day in the provinces; we can alter our

Customs Act; we can pass a law to-day and make it run back for fifty years and say that that which has not been the law for the past fifty years shall by the Act of this Parliament to-night be deemed to have been the law." Yet the minister says that is purely technical. Although the people of these provinces may have the right to get their money back, because, forsooth, some of those who represented them in the past did not put their claim on two grounds, the minister says, "We will deprive them of one ground, which we fear is a perfectly legal and valid ground, and see that they do not recover on that ground at all events," simply because they did not put forward their claim as they might have done.

Notwithstanding all my hon. friend has said, I am unable to see why this legislation should be passed. If this Parliament wants to legislate that the provinces shall in future pay duties on goods which they import, let it legislate for the future. Then as to any duties which may be exacted in the future, the provinces will have to rest their claim upon one ground only, namely, upon the provisions of section 125 of the British North America Act. But if they have two grounds which they have a right to avail themselves of in the courts of the land, surely this Parliament ought not to take away their rights. It is proposed to do this without notifying the provinces—doing it behind their backs. This Parliament has no right to do that. Retroactive legislation is most objectionable under all circumstances, and can only be justified by the gravest necessity; and surely the mere fact that the Government thinks that there may be a few thousand dollars which, as the result of the litigation may go to the people of these four provinces, is no ground for the Government resorting to an exercise of its power and asking Parliament to pass legislation extending back fifty years.

Mr. LEMIEUX: I am surprised at the lack of information on the part of the Government in regard to the concrete cases which brought about this legislation. I quite agree with my hon. friend beside me that this Parliament has full power and authority to state who shall pay the duties, and who shall not pay the duties. I believe that the Crown, in the right of the Dominion Government, could stipulate by whom the duties should be paid, but it seems to me that, when the minister introduces legislation, retroactive in its nature, the least that we might expect from the Government is that some regard should be shown to the provinces. If there is one thing which the Federal Parliament should avoid it is litigation with the provinces. It seems to me the provincial and Dominion Governments should have most happy relations and should avoid conflicts. We all know in the past from what small causes arose the very stringent fights which took place between the Ontario legislature and the Dominion Government. We know how long these cases lasted, that they went to the Privy Council; in fact, the result of those cases was the creation of a party of provincial rights in Ontario. In such a small matter, when everybody conceives that the Government can state who shall pay the duties, it seems to me we should avoid giving the legislation any retroactive effect. I do not refer to the correspondence of 1909, but can the minister tell me what were the concrete facts which brought about this legislation? Has there been notice given by the minister to the various provincial governments that this legislation would be brought down this session?

Mr. REID: I have not given the provincial governments any notice that it was my intention to bring this legislation before Parliament during the present session.

Mr. LEMIEUX: What are the concrete facts which cause this legislation?

Mr. REID: The reason that I am putting the measure through this session is this, as I stated: In 1909 the matter came first before the Government of the day, and the right hon. leader of the Opposition, then Prime Minister, took issue. The provincial government did not raise any further question, and the matter dropped. It was then brought up last year by one of the four governments, and I sent the same reply, word for word, that was sent by my predecessor in 1909. The matter again dropped, and then another provincial government brought the matter up, and the Manitoba Government stated that they wished to take issue with the Dominion Government; that is, they wanted a fiat. Of course, they could proceed in the Exchequer Court, and it would not make any difference whether they got a fiat from this Government or not.

Mr. LEMIEUX: Was there any entry made in the customs in Winnipeg in regard to this matter?

Mr. REID: Yes, they made an entry.

Mr. LEMIEUX: They imported what?

Mr. REID: They imported a gas producer —that is the way the item is described— in August, 1916. The duties were $404.80, and when it came in they took issue on paying the duties on that machine.

Mr. PUGSLEY: Has the minister any record of the grounds on which the Manitoba Government based their objection? Was it simply that they were not bound to pay the duty, or did they base it on section 125?

Mr. REID: On section 125 of the British North America Act.

Mr. PUGSLEY: Have you their letter to that effect?

Mr. REID: Yes. The letter reads as follows:

Winnipeg, Aug. 23rd, 1916.

The Honourable, the Minister of Customs,
Ottawa, Canada.

Re Gas Producer Plant at Souris, Man.

Sir,—

On the 10th inst. I wrote the Commissioner of Customs, Ottawa, in regard to a charge of $404.80 duty on a gas producer plant which was purchased by the Provincial Government of Manitoba in England and was entered through Souris in Manitoba.

Payment of the $404.80 was made under protest as the contention of the Provincial Government of Manitoba is that no duty is chargeable on said gas producer plant.

The province of Manitoba now wishes to make a formal demand for the repayment of said $404.80 from the Dominion Government on the ground that section 125 of the British North America Act prevents the Dominion Government from charging such a duty on such a gas producer plant owned by the Provincial Government.

In case of your refusal to pay back this $404.80 I take it your department will be glad to have the matter passed on judicially. The province of Manitoba will at once institute proceedings in the Exchequer Court of Canada to recover the said sum paid for duty.

I shall be glad if you will indicate your decision in the matter as early as possible.

I have the honour to be, Sir,

Your obedient servant,

John Allen,
Deputy Attorney General.

Mr. PUGSLEY: Suppose they had two grounds of objection, and only put forward one, surely you would not take away the other ground? The substantial point is that they say they are not liable for the duty. Suppose they have a dozen reasons, and only put forward one, they are entitled when they go to court, to raise the dozen grounds.

Mr. REID: The hon. gentleman asked why I was putting the legislation through this session. The case referred to arose in August last, and I submitted the matter again to the Department of Justice, and consulted my colleagues in council. The provincial government stated in their letter that they would like to have it tried judicially. I do not want to have it tried judicially, because I take it for granted the matter is settled; but if they do proceed, the Department of Justice says that, in order to have the question tried as to whether we can collect customs duties from the provincial government this provision should be in the Act.

Mr. PUGSLEY: Is not the real issue whether, under the then existing law, this Government had the right to exact duties from the provincial government? Whether they base their claim on one reason or a dozen reasons there are only arguments that apply.

Mr. REID: We claim that we have had the right to collect these duties since Confederation.

Mr. PUGSLEY: You admit by this statute that you think you had not the right.

Mr. REID: No, we do not; we claim that we have always had the right to collect duties under section 125.

Mr. PUGSLEY: Well, then rest on the law as it is.

Mr. REID: No, I will not rest on the law as it is. I am not a lawyer myself, but as a layman I think I am entitled to my own opinion and it is that in order to have the matter decided in the Privy Council it is just as well, and it will probably assist our case, to have on the statute book the claim that the Crown is liable to duties.

Mr. PUGSLEY: Of course, that will assist you because you have taken away one ground of action which the provinces had against you.

Mr. REID: Well that is something the Department of Justice and members of the council think should be done. Why, make it retroactive?—the hon. gentleman may ask. We are only declaring in the statute that the law, as interpreted by the Dominion and Provincial governments since Confederation, has been that the Crown was liable to pay duties.

Mr. PUGSLEY: This would bar them from their action.

Mr. REID: No; if the Privy Council decide that the provincial governments are not obliged to pay customs duties, no customs duties will be collected, our declara-

tory act will have no effect and they will have a claim for any duties which have been paid since Confederation. On the other hand, if the Privy Council declare that we have a right to collect duties on goods imported by the provincial governments, I do not think that it would be fair that they should have a claim simply because this declaration was not put in the Act at Confederation.

Mr. PUGSLEY: Then the Bill assumes that you have collected duty illegally?

Mr. REID: I do not interpret it in that way because it has been admitted by the Dominion and provincial governments that that is not a proper interpretation but that it is the result of an accident or a technicality.

Mr. MACDONALD: No, it is not a technicality.

Mr. REID: It was a technicality in that it was not put in at that time to make it plainer. However, we are all acting in the interests of the whole people, both the Dominion and the provincial.

Mr. PUGSLEY: You are not acting very much in the interest of the provincial Governments.

Mr. REID: I do not agree with the hon. gentleman. There is only one ground of difference in the committee, as far as I can see. There is no objection to this Bill going through and having effect from the present time onward but the whole objection appears to be that it should not be made to apply to all time since Confederation.

9 p.m.

Mr. PUGSLEY: It should not interfere with existing rights.

Mr. REID: I claim that if the Privy Council decide that we cannot collect duties from now on, after it has been recognized since Confederation that we were entitled to these duties, it would be better to have this clause put in.

Mr. MACDONALD: It is rather difficult to follow hon. gentlemen in dealing with this matter. I fail to see where the hon. Minister of Justice (Mr. Doherty) or the hon. Minister of Customs (Mr. Reid), have met the point made by my hon. friend from St. John (Mr. Pugsley). What is the position of the Government on this question as declared by the Minister of Justice? He says: "We have had the right to collect customs duties on goods imported by the provincial governments from Confederation down to date because they have never objected to it until within the last few years." The Minister of Justice, in dealing with the point that I called his attention to, made no answer when I suggested to him that it was only within a period of twenty years—not fifty years—that it has been settled as a matter of law that the Crown is present in the provincial legislatures.

Mr. REID: Previous to 1895, do I understand the hon. gentleman to say, the provincial governments did not consider that they were a part of the Crown?

Mr. MACDONALD: It was so urged by those who were advocates of the belief that the Confederation Act had created in this Federal Parliament a certain central authority and that the governors of the provinces were simply Dominion officials and as such were not authorized to exercise the prerogative of the Crown. It was decided by the Supreme Court of Canada in the case of Lenoir and Ritchie, known as the King's Counsel case, that the provincial governments had no right to appoint these counsel as the King was not present in the provincial legislatures. So that when my hon. friend says that the provincial governments did not raise this question during the whole period of fifty years, I say it was not until twenty years ago that it was decided absolutely that the Crown did exist in connection with the provincial legislatures. Only then could they be aware that the Crown in right of the province was exempt from the provisions of the law if in the law it was not specially named. My hon. friend says that if the provinces did not raise this question before they ought not to be permitted to raise it now.

Mr. REID: No, they can raise it now.

Mr. MACDONALD: My hon. friend says that if they do raise it now they ought to be met by an Act of Parliament which declares that for the last fifty years the Crown has contravened the Customs Tariff Act and therefore its right is taken away. Does the minister propose to pass this retroactive legislation to say that because a particular province did not sit down and prepare what might be called a petition of right, or a statement of claim in which their legal position is maintained and set out, they cannot raise the ground and it does not meet the point? If litigation is taken they could raise this ground, together with the general ground that it falls within section 125 of the British North America Act and that there-

fore the duty could not be collected or imposed. They might raise both of these grounds or any other ground that these litigants would have the right to raise. This country has no right to pass retroactive legislation to anticipate the remedy which Manitoba, or any other province might seek to have in court, and to declare to have been the law in the last fifty years that which was not the law. It is useless for my hon. friend to say it was a technicality and an oversight. Either it was that the Crown in right of the Dominion for fifteen years deliberately taxed the Crown in right of the province, or it was not. I was surprised to hear the Minister of Justice argue upon that point. The Minister of Justice knows very well that the principle which declares that statutes do not apply to the Crown unless it is especially named, is not a technical principle at all. Very important and far-reaching rights rest upon that principle. No Parliament from 1867 until to-day has undertaken to declare that the Crown's name should be mentioned in a tariff Act. If the province of Manitoba wants to import goods, tractors or engines in connection with their agricultural or experimental farms or apparatus for the use of their telephone system or any other public work, they have a right at this moment, as I understand the law, to import them without having to pay customs duties. My hon. friend by this legislation is coming in to say that, although they had imported such machinery last August, they must pay duty now. That is ex post facto legislation, it is retroactive, and it takes away the rights of the province. For that reason I object to it. I submit further that this question having been raised, as the province of Manitoba is seriously raising it, the minister should have advised the proper authorities of that province of the fact that this legislation was being introduced so that we could discuss it intelligently and be in a better position to decide whether what appears to be obnoxious and improper retroactive legislation should be placed upon the statute book. I think the request of the hon. member for St. John (Mr. Pugsley), that the Bill should stand over until the views of the governments of Manitoba and Alberta can be ascertained, is well founded.

Mr. McKENZIE: I submit to you, Sir, and to the Minister of Justice, that the rights of the provinces and the rights of those who are governed under the British North America Act should be settled by the courts, if necessary by the Privy Council, through the proper interpretation of the British North America Act, and not by any Act that we might pass in interpretation of it. The rights of the provinces and the rights of the Governors of the provinces are fixed and established by the British North America Act, and it is by the interpretation of that Act that any doubt that may have arisen as to the rights of a province should be determined. We should not attempt to give that Act any twist or turn, or to make it anything different from what it was when it left the hands of the Imperial Parliament. We should submit it to the courts as it has been submitted in every other case where it has had to be interpreted, in its purity. We should not pass an Act interpreting it and then send the two to England to be passed upon. I submit that it is no argument to say that because a local Government or any other body has been making a mistake for forty or fifty years they are thereby forced to continue making that mistake, or to continue to pay out moneys which they should never have paid. I remember a very interesting case in Nova Scotia relating to a lockup at Spring Hill, which was tried before Sir Robert Weatherbee, one of the most distinguished lawyers in this country. The people of Spring Hill had been using a lockup for twenty-five years a building which really never was a lockup. Sir Robert in his facetious way said: It is argued before me that the people of Spring Hill made a mistake twenty-five years ago; that they have persisted in that mistake for twenty-five years, and that therefore it has become legal. Of course he swept the thing aside as being nonsensical and not worthy of legal argument. As Sir Robert Weatherbee then said so, I think we should hold now. The Minister of Justice should advise that it is no argument to say that because the provincial governments took it for granted that any demands made upon them by the Federal Government were right and, without looking into the law, paid the demands made upon them, and then when they came to look into it and found that they were making a mistake during all this time, the Dominion Government could set up what is practically a plea of estoppel.

Returning to the Act itself, the words "tax" and "taxation" are used everywhere where reference is made to the collection of duties. The word "tax" is used in section 91 of the British North America Act. In giving the powers of this Parliament, it says:

The raising of money by any mode or system of taxation.

The word "taxation" is usually understood in the provinces and elsewhere as the ordinary taxes. When we talk about taxation, we very seldom think of customs duties. But in the British North America Act, duties are spoken of as a tax; they call it "tax," they do not call it "customs duties." Then we have the power under section 91 of the British North America Act to get money by any mode or system of taxation. If that was the only thing in the Act, no doubt we would have power to tax any property that was held in the right of the Crown. But section 125 says:

That no land or property—

The word "property" there includes everything that could be stolen.

No land or property belonging to Canada or any province shall be liable to taxation.

The word "taxation" is used there. In section 125, the word "taxation" has the same meaning exactly as in subsection 3 of section 91; and if we are going back to the intention of Parliament, we must take it for granted that the intention of the Imperial Parliament in the beginning, in 1867 when they passed this Act, was that any property held by the Crown in right of a province or any property held by the Crown in right of the Dominion, was not subject to any tax whatsoever, either by customs or otherwise. Therefore, if any tax has ever been collected by this Government from the provincial governments upon any property that they may have been importing that ordinarily would be subject to taxation, they were collecting it in good faith, I presume, but by a mistaken conception of the law. I wish to point out to the Minister of Finance, as a constitutional lawyer and a man who has to do particularly with finances, that to me, who do not profess to be a great constitutional lawyer, it is very clear that under the Act the Government has no authority to levy any tax upon any property belonging to the Crown, in the right of either the province or in the Dominion; that subsection 3 of section 91 simply used the word "taxation":

The right of raising of money by any mode or system of taxation.

Therefore, taxation covers everything, any way in which we may get money. If that is all that was in the Act, we could, I suppose, tax anything. Section 125 says:

No land or property belonging to Canada or any province shall be liable to taxation.

The word "property" applies to anything that has tangible existence or value; anything that can be used or appropriated. Instead of giving a long list, therefore, of things exempted, the farmers of the Act used the comprehensive word "property." The gas producing machine or engine that was imported into Manitoba certainly is property and, being owned by the province in the right of the Crown, is exempt from taxation, including customs duties. The Government, then, had no right to collect duty upon it. The proper thing to do when we discover the true meaning of a law is to forget the past and to proceed with a proper administration of that law.

Mr. REID: The hon. gentleman contends that the provincial governments have the right under the law to import goods without paying duty. When the right hon. leader of the Opposition was Prime Minister, he and his followers took the ground that the provincial governments should pay duty on these articles. The only way to settle the matter once for all is to have the Privy Council interpret the Act.

Mr. McKENZIE: But it should be settled upon a proper interpretation of the original Act, not upon an Act now introduced.

Mr. REID: This does not change the Act at all.

Mr. McKENZIE: Then what is the good of it? Are we playing with legislation? Have we so much time that we can pass legislation that has no purpose or object? If we have the right to collect duties upon property entering Canada for the provinces, we have that right by virtue of the power conferred upon us by the British North America Act. Let us have the matter interpreted by the courts, if there is any doubt about it, but do not make it more difficult by passing this Bill.

Mr. DOHERTY: This Bill does not touch the British North America Act or its interpretation.

Mr. McKENZIE: Inferentially it does.

Mr. DOHERTY: Not inferentially, directly or indirectly. The great object of the Bill is to make it quite sure that the only question upon which the case will go to the courts and ultimately to the Privy Council shall be the interpretation of the British North America Act. It would be a childishly absurd contention that this Parliament, by any legislation of its own, could in any degree affect the powers conferred upon it by the British North America Act.

Mr. McKENZIE: Will the minister tell the committee briefly what the Bill is for?

Mr. DOHERTY: It is for the purpose of declaring that the present Customs Act does, and that the Acts passed since Confederation did, apply to the Crown.

Mr. PUGSLEY: Then you are asking Parliament to make a false declaration.

Mr. DOHERTY: The hon. member for St. John does say such crushing things. He has told the member for North Cape Breton (Mr. McKenzie) that we are doing a frightfully wicked thing. But has he not made it clear to the member for North Cape Breton that we are not touching the British North America Act; that our wickedness is all directed to the Canada Customs Act?

Mr. McKENZIE: I never said that stupidity was wicked.

Mr. DOHERTY: You did say that the member for St. John said that the proposed legislation was wicked.

Mr. McKENZIE: The hon. member for St. John has made the matter so clear from the standpoint of a constitutional lawyer that it is almost unnecessary for me to speak about it. The Minister of Justice says that it is necessary to pass the Bill now under consideration in order to arrive at a proper interpretation of the British North America Act and to assert that we were right during the last fifty years in collecting these duties.

Mr. DOHERTY: Not at all. This Bill simply seeks to make the Customs Act read as though these words were in it: "This Act shall apply to the Crown." It goes no further than the Customs Act of Canada; it seeks simply to have the Act read as including words to the effect that it shall apply to the Crown. That is what everybody thought it meant; we want to make the law square with what everybody did and understood respecting it. I repeat that the Bill does not in any way affect the British North America Act or its interpretation. We shall have to determine what power this Parliament had under the British North America Act; this Bill says nothing about that. What the Bill seeks to make clear is that Parliament exercised whatever power it did have.

Mr. McKENZIE: I perhaps understand the situation a little better, but it does not change the viewpoint at all. The Customs Act must find its constitutional foundation and right in the British North America Act, and if the Customs Act has gone any further than it should go under the basic principles of our constitution, to that extent it is ultra vires and of no effect. We must take for granted that the able constitutional lawyers who were in this Parliament at the time of Confederation and at the time that the Customs Act was drafted and put through this House were fully cognizant of their powers and authorities under the British North America Act, and that the Customs Act was passed in conformity with those powers. We have, therefore, no business now, by this new legislation, to import into the Customs Act anything but what was in it at that time, and we have no business to put any interpretation upon the Customs Act. The Minister of Justice says that this Act does not give an interpretation of the British North America Act, and I agree with him in that, but it does give an interpretation as to what may be regarded as the outcome or product of the British North America Act, and if either in the one case or in the other we are going beyond our rights to legislate, we have no right to do so, and the question reverts to the same point: what are the rights of the provinces under the British North America Act? The Customs Act does not alter the situation at all unless that Act comes within the purview of powers intended to be conferred upon this Parliament. That is exactly where I stand, and I submit that this legislation should not be introduced at all until we get a decision of the Privy Council on the point. We have an illustration of this in the Bill that was introduced in this House this afternoon by the Minister of Finance. There was a dispute about the constitutionality of the Insurance Act, and as I understand it, the minister did not bring any legislation before Parliament to patch up the dispute; he waited until an interpretation was given to the matter by the Privy Council, and he then introduced legislation to implement so far as he could what was decided by the Privy Council. The same line of action should be followed in this case; if we are mistaken about an interpretation, we should apply to the courts and get the proper interpretation and after this is received, if it is necessary to change the legislation for the proper and practical carrying out of the Act, then let us get further legislation, but let us not go guessing about the matter now. In fairness and equity, it seems to me there should be no taxes upon the provinces. Take the simplest proposition where we have common jurisdiction and authority. Take agriculture, in which there is a jurisdiction that

is held in common by the provinces and by the Dominion. If the Dominion Government introduce into this country a herd of cattle or stock for breeding purposes, they do not pay any customs duty, or they simply pay it from one pocket into the other, so that they really have the advantage of paying no duty. The Department of Agriculture of a province may be doing exactly the same thing, but under the interpretation which is sought to be put upon the law, they have to pay duty. From the beginning the intention of the Imperial Parliament was that goods coming into the country in the right of the Crown should not pay duty, and it was a mistake right along to be collecting that duty from the governments of the different provinces. Perhaps they can recover that duty. I do not know whether the same principle that would apply to the individual would apply to the Crown. If an individual pays any money by mistake of law, he can never get it back, and I presume the Crown would have the right to raise that point, although perhaps it would be a technical objection and would not be worthy of the Crown when it is the Crown on the one side and the Crown on the other. I am not saying a word as to whether these moneys should be paid back or not. I am glad to have an opportunity of expressing my views with regard to the real interpretation of those points of the British North America Act and of the right of the provinces and the Dominion under them.

Mr. PUGSLEY: The Minister of Justice made a statement a moment ago which, I think, calls for some remarks. He says that everybody since Confederation has thought that the Customs Act applies to the Crown as represented by the provinces. I wish to deny that most emphatically. The only evidence he has given us of that is that in the statement of protest presented by one or two of the provinces they mention section 125 as exempting them from taxation. Surely that does not prove that the people of the different provinces from which duties have been illegally exacted have assented to the view which the Minister of Justice now puts forward. Take the case of New Brunswick. My hon. friend from Westmorland (Mr. Copp) has called my attention to the fact that only a few months ago that province imported a large quantity of road machinery, and I have no doubt upon that they illegally paid duty. They have not made a claim on any particular ground to get that money back, and I presume the officials paid it because their attention was not called either to the omission of the Crown from the Customs Act or to section 125 of the British North America Act. This Government has illegally imposed a tax against the people of the province of New Brunswick in respect of a good many thousand dollars worth of goods which they have imported for the purpose of public improvement. I presume it will also be found that in respect to fertilizers, which the government of New Brunswick has been importing, this government has exacted customs duties illegally. It is said that the province no doubt has the right to recover that money as conditions are to-day. The province might rest its claim upon two grounds: first, that the Customs Act does not apply and has not professed to apply to the Crown, and secondly, that under section 125 of the British North America Act, this Parliament has no right to impose duties upon the provinces respecting goods imported by them. Have the people of New Brunswick ever waived their rights? Are they estopped? The Minister of Justice says everybody has thought that the law was as this government is now attempting to make it, but the people of New Brunswick have never expressed an opinion upon this point, either through their government or otherwise, and they can to-morrow put in a claim to recover these duties. Does this government say to them: Although you have two grounds on which to base your claim, we are going to legislate one of those grounds away from you? The minister says: Oh, the people of New Brunswick have always thought that the Customs Act applied to the Crown. There is no evidence whatever of a waiver of whatever legal rights they have to-day to recover that money, and, as a representative of that province, I protest in the strongest manner possible against their rights being taken away by this legislation. The only ground upon which this government can take their rights away is that Parliament has the paramount right to do this injustice to the people of that province, if it chooses to do so.

I wish to prove what I said a moment ago, namely, that the legislation is false upon its face, and this Government is asking Parliament to declare and place upon record what is known to be absolutely contrary to the truth. These are the words of the Bill.

The rates and duties of customs imposed by this Act or the Customs Tariff or any other

law relating to the Customs, as well as the rates and duties of customs heretofore imposed by any Customs Act or Customs Tariff or any law relating to the Customs enacted and in force at any time since the first of July, one thousand eight hundred and sixty-seven, shall be binding,—

That is all right for the future.

—and are declared and shall be deemed to have been always binding—

That is a false statement. They have not been binding for thirty years.

—and are declared and shall be deemed to have been always binding upon and payable by His Majesty, in respect of any goods which may be hereafter or have been heretofore imported by or for His Majesty, whether in the right of His Majesty's Government of Canada or His Majesty's Government of any province of Canada.

I say that is a declarataion which this Parliament ought not to be called upon to make. It is declaring that this Customs Act has been binding on the Crown in the right of the province. But the Minister of Customs knows perfectly well that it has not been binding; he knows that this Bill has been introduced because the Justice Department has told him that by reason of the Crown not being mentioned he has no legal right and never had a legal right to collect these duties. The Minister of Justice, as one of the best lawyers in the country, knows that this Customs Act has never been binding upon the Crown in the right of the province. Without suggesting there has been any doubt on the part of the minister himself or the deputy minister on the subject, and knowing perfectly well that these duties have been illegally exacted from the provinces, he is asking this Parliament to-night to take away the legal rights of the people of those provinces, and prevent them from having an opportunity of making a claim which they would raise upon both grounds. He is endeavouring to prejudice the people of the province making a claim against the Government by reason of the legal exaction of these duties.

Mr. MACDONALD: Will not the minister permit this legislation to stay in committee until we hear from the Manitoba government on this question? As they have raised the issue I think the House ought to have the advantage of hearing their views, and the province should be given an opportunity of presenting them before Parliament comes to a conclusion on the matter.

Mr. REID: I cannot see any object in allowing the legislation to stand. My duty is, of course, to look after the interests of the Dominion so far as my department is concerned. The government feel that this legislation should be passed in the interests of the Dominion. We cannot hope to gain anything by communicating with the provincial government. They will simply say, as they did in their letter that they ought not to pay the duties. We are anxious to get our legislation through as soon as possible, and as an opportunity has been given for every hon. gentleman to express his views, I see no object in allowing the legislation to stand.

Mr. MACDONALD: On account of its retroactive character this is not an ordinary measure. Whenever a Bill is introduced, whether by a private member or by the government interfering with vested rights or retroactive in its character, the House should be seized of all the merits of the case before it comes to a conclusion. It is upon that ground, a very reasonable and just ground, I think, that I ask that the measure be not pressed now. If the minister has confidence in his legislation, he can have no objection to waiting to hear from the provincial government on this matter.

Mr. REID: I cannot see what is to be gained by holding this over, as we have all the information before us that we can possibly get. It is simply a question of law, and if the provincial government wish to proceed with the case, they can of course go to the Privy Council.

Mr. PUGSLEY: After you have taken away their rights.

Mr. REID: I do not think we are taking them away, nor does the Department of Justice.

Mr. PUGSLEY: What is the Bill for them?

Mr. REID: The Government have considered this Bill carefully, and are satisfied that it does not interfere with the British North America Act. An opportunity has been given to hon. gentlemen to express their views, and I can see no reason why we should not advance the Bill.

Mr. PUGSLEY: I should just like to call the minister's attention to what the Supreme Court always does in a matter of this kind. If any question comes up affecting the rights of any province, they always insist on notice being given to the province, but here we are legislating behind the backs of the provinces. Remember, it is

not individuals that the provincial governments represent, but all the people of all the provinces, and the people of the provinces will feel aggrieved that this legislation is passed behind their backs, with no opportunity being given to them for expressing their views.

Mr. DOHERTY: I have every respect for the arguments that have been made, but I think I ought to say frankly just how it strikes me. The contention that there is any wrong or injustice being done to the province in this matter, it seems to me, is so clearly and manifestly futile that I should be ashamed to delay the legislation to hear them argue that there was an injustice. In the second place, I am satisfied that there is no argument that they could put before us, and nobody whom they could get to put that argument before us with greater skill than has been done here this evening. For these reasons I quite understand why the Minister of Customs does not feel disposed to consent to delay this legislation.

Mr. COPP: I think that the suggestion of my hon. friend from Pictou (Mr. Macdonald) that this legislation should stand over until the provincial government is heard from is a reasonable and proper one. I do not propose to make any argument on the legal aspects of this case, because that has already been done so ably by my hon. friend from Pictou and my hon. friend from St. John (Mr. Pugsley). It seems to me that there must have been a feeling in the minds of the hon. gentlemen opposite that the provinces have some claims. There may be some question about it, but it must appeal to them that the provinces have some claim in regard to this matter, and they are apparently taking the position: "What we have we'll hold"; we have this amount of money, small though it be, but a principle is involved; we have collected this amount of money for years from the different provinces in duties on goods imported, and to make sure, we will pass an Act and hold what we have. That does not seem to me to be a reasonable proposition. I am not prepared to say which of the hon. gentlemen who have argued the legal matter is right, and it is more or less of an invasion, in my opinion, of provincial rights, and, therefore, it should not be decided hurriedly, in an ex-parte manner, by this Parliament. And they say: Although the provinces may have some rights, we will remove the foundation of all the claims that they have made. I understand that some of the provinces have already made claims on the Government, that they have paid duties they should not have paid, and that they should be reimbursed this payment made by mistake. Four provinces, I believe, have already made claims in regard to the return of duties paid by them. I know full well that the province of New Brunswick last winter entered into a large contract with a firm in the United States for road machinery. Since that time the Government was defeated, and the succeeding Government continued the contract, and I think part of the machinery has been delivered, and the present Government will stand in the shoes of the late Government. Irrespective of the question as to which is right and which is wrong in regard to the legal aspect of the case, it seems to me it is an infringement of and interference with provincial rights, and, that being so, I think the provinces should be consulted and given an opportunity to state their case before the committee in a different manner, presenting their views to us.

Mr. MACDONALD: What is the meaning of the last five lines of the section? It seems to be an anomalous proposition. My hon. friend declares that he proposes to institute a tax upon the provincial governments of Canada, and to declare it was the intention of Parliament that they should always be taxed. The last four lines read as follows:—

> Nothing herein contained is intended to impose or to declare the imposition of any tax upon, or to make or to declare liable to taxation, any property belonging to His Majesty either in the right of Canada or of a province.

The imposition of this tariff on property brought into Canada by any provincial government is an imposition of a tax. Why have these anomalies, taxing at one end of the section, and declaring that they are not taxed at the other end?

Mr. DOHERTY: In no part of the section do we impose a tax on the province or the Crown. We declare the Crown to be subject to the legislation; we do not declare any right on the property of the Crown. We propose to collect the duty from the Crown when the Crown makes an importation, and we collect it without regard to the ownership of the property. Perhaps hon. gentlemen have not fully realized that customs duties are imposed upon the man who imports, and he will have to pay them if he imports another man's property, just as much as if he imports his own property, and it is true, with regard to the individual, that there is a lien or right imposed upon

the property itself to secure the payment of the tax or duty. In so far as the right upon the property may possibly be interpreted to be a tax on the property, we have no intention of imposing any obligation on any property which belongs to the Crown, but all that we want to do is to make applicable to the Crown, as to every other person, the obligation to pay a duty when goods are brought into this country, no matter to whom they belong.

Mr. GERMAN: Is the duty not a tax?

Mr. DOHERTY: We will argue that question before the courts, but assuming for the moment that it is, the question remains, is the duty on a man's importation, without regard to any ownership in him, and a duty which he would be liable for without owning any goods whatsoever in this world, a tax on property? I do not propose to answer further questions on this phase of the matter. Let me point out that questions as to what the correct interpretation of the British North America Act is are absolutely irrelevant to this Bill, and it might not be quite fair to answer them.

Mr. PUGSLEY: Is this not intended to be a parliamentary interpretation of section 125 of the British North America Act or to assist in the final interpretation of that section?

Mr. DOHERTY: Most assuredly it is not intended to be. If it were intended to be, I would say it was one of the most awful failures I ever heard of.

Mr. PUGSLEY: What is the meaning of it?

Mr. DOHERTY: The intention is to make it perfectly clear that we do not intend to create any obligation upon the property of the Crown. I might answer it better by saying that it means exactly and precisely what it says, and the hon. gentleman who is asking the question, who understands the English language perfectly, knows the meaning of it.

Mr. PUGSLEY: I have heard judges, when they could not understand the language of a provision, state that it meant exactly what it said.

Mr. GERMAN: If the province of Ontario should import a thousand tons of steel for some public purpose, that thousand tons would be the property of the Crown as represented by the Government of the province of Ontario. The British North America Act says that the property of the Crown shall not be subject to a tax. Does my hon. friend propose now to impose a duty, which is a tax?

Mr. DOHERTY: We do not propose to impose any duty, tax, or anything else on that thousand pounds of steel. We propose to say that whoever imported that steel shall pay a duty of so much, and the amount of that duty will be determined on the value of the importation.

Mr. PUGSLEY: What is the meaning of section 2, which says:

> If any imported goods seized in any building within one hundred yards from the frontier between Canada and any foreign country are forfeited according to law, such building shall also be seized and forfeited, and shall be forthwith taken down and removed.

Mr. REID: There are buildings close along the frontier, which parties use for storing goods which are brought in there in violation of the law, and there are some buildings partly on one side of the line and partly on the other. The United States Government has on its statutes a section which reads as follows:

> If any store, warehouse or other building shall be upon or near the boundary line between the United States and any foreign country, and there is reason to believe that dutiable merchandise is deposited or has been placed therein or carried through or into the same without payment of duties, and in violation of law, and the collector, deputy collector, naval officer, or surveyor of customs, shall make oath before any magistrate competent to administer the same, that he has reason to believe, and does believe, that such offence has been committed, such officer shall have the right to search such building and the premises belonging thereto; and if any such merchandise shall be found therein, the same, together with such building, shall be seized, forfeited and disposed of, according to law, and the building shall be forthwith taken down or removed.

Our officers tell me that there are parties who use buildings in that way and that they rush goods over to the other side when the officers are coming or when they have information that they are smuggling. We are putting this clause in and it is similar to the clause in the Act on the other side of the line in the expectation that it will make it more workable between the two countries.

Bill reported.

JUDGES' ACT AMENDMENT.

Bill No. 66 to amend the Judges' Act—Mr. Doherty—read the second time and the House went into committee on the Bill, Mr. Rainville in the Chair.

On section 1—appointment of puisne judge:

Mr. MARTIN: What is the salary of the judge now?

Mr. DOHERTY: There is no change in the salary. This is to add one to the number of judges in Saskatchewan as provided for by the provincial legislature.

On section 2—appointment of county court judge:

Mr. PUGSLEY: Has the minister ever thought of making some provision, of course, in conjunction with the provinces, to have the county court judge in districts where there is very little litigation going on transferred to districts where their services might be required instead of appointing new judges? We all know that litigation has fallen off in the last few years in many localities. I am told it is so in Ontario and I know it is so in my own province. In some districts the judges have a good deal to do while there are other districts where they are comparatively idle, and instead of appointing additional judges and putting the country to a great deal of expense, they might be distributed and in this way the work could be done.

Mr. DOHERTY: This matter was adverted to by the hon. member for South Renfrew (Mr. Graham) on the resolution introducing the present Bill. I explained then that some two or three years ago I had taken the matter up with the then Attorney General of Ontario and had represented to him the desirability of acting on the lines suggested by the hon. member for St. John (Mr. Pugsley). At the time there appeared to be a disposition to listen favourably to what was suggested, but it has not resulted in any action. I did say, in response to the suggestion of my hon. friend from South Renfrew, that I would again take the matter up to see if something could be done on that line. As far as there is any addition here to the judiciary of Ontario, it is of a judge in Timiskaming which is a new and growing district.

Bill reported, read the third time and passed.

Sir THOMAS WHITE moved the adjournment of the House.

On motion of Sir Thomas White, the House adjourned at 10.05 p.m.

INDEX

SEVENTH SESSION—TWELFTH PARLIAMENT, 1917

Abbreviations.—1r., 2r., 3r.=first, second, or third reading. Amdt.=Amendment. Com.=Committee. Con.=Consideration. Div.=Division. M.=Motion. Ref.=Reference. Rep.=Report. Res.=Resolution. Sec.=Section.

Abbotsford postmaster, 608

Achim, Mr. Honoré (Labelle)
Military Service Bill, 2873

Address in reply to the Governor General's Speech, 9, 47, 83, 119, 160, 195, 249

Address to His Majesty the King. *See* Parliament: Extension of term of

Adjournment moved to discuss matter of urgent public importance
Mr. Pardee, returned soldiers, 459
Mr. Lemieux, liquor in military camps, 806
Mr. Kyte, price of flour, 1039
Mr. Devlin, conservation of grain, 1176
Mr. Macdonald, German submarines, 1320
Mr. Oliver, removal of rails, 1820
Mr. Turriff, farm labour, 3504
Mr. Macdonald, munitions, 5517

Adulteration of food. *See* Food

Advertising, government
Department of the Secretary of State, 656
Recruiting, 986, 3136

Aeroplane. *See* Air service *and* Aviation

Aetna Explosives Company, 4508

Agriculture
Animals
Health of, 2271
Loaning of to farmers, 4152
Pure bred, purchase of, 2276
See, under this head, Live stock.
Apples, embargo on export of, 5776
Associations, 2276
Beans for seed, 671, 1473
Bulletins, 2062, 2274
Butter
Imports and exports of, 1573
Purchases by British Government, 899
Cattle. *See, under this head,* Live stock
Cheese
Imports and exports of, 1573
Manufacturing and curing of, 2265
Purchase of by British Government, 1774, 1863, 1971, 2197, 2257, 2265, 2267, 2557
See also Food

Agriculture—*Con.*
Dairy industry, 953, 2075, 2256
Department
Estimates, 654, 2062, 2255, 2924, 3744, 4677
French-speaking employees of, 2262, 2265
Publications 2062, 2274
Staff and salaries, 4924
Development of, 2578
Exhibitions, 2260, 2270
Experimental farms, 2055, 2063, 4682
Hay
Embargo on, 1222
Imports and exports of, 1574
Inspection and grading of, 3402
Purchases of by British Government, 5086
Hogs
Inspection of, 2271
Cholera, 2273
Insect pests, 2066, 2075
Labourers. *See* Labour
Horses, compensation for destruction of, 2056
Live stock
British embargo on, 918, 987, 1535
Pure bred, purchase of, 2276
Shipments, inspection of, 1841
See also Live stock and Produce Bill
Noxious weeds, 2068
Parcel post shipments, 2072
Plant diseases
Rust in wheat, 2063, 2067
Powdery scab in potatoes, 2269, 5991
Potatoes
Accumulation of on railways, 607
Duty, proposed removal, 703, 5274, 5777, 5982
Exports and imports of, 2267, 5982
Powdery scab, 2269, 5991
Prices and supply of, 936, 1087, 1189, 1437, 2095
Seed, 1473
Straw, utilization of, 4683
Veterinary Director General, 987
See also Cold storage, *and* Food

Agricultural Instruction Act
Administration of, 3755
Payments to Prince Edward Island under, 455

Aiken, Mr. G. O., employment of, 4151, 4508

Air Service, 805, 1039, 1127, 1331. *See* Aviation

Alase, Motor boat, 5360

Alberta, enlistments in, 3373, 3375

Alcohol
Distillation of, 3742
Public institutions, for, 5103

Alcoholic liquors
Revenue from sale and manufacture of, 304
Sale of to soldiers. *See* Army: camps
See also Intoxicating liquors, Prohibition *and* Grain

Aldershot camp. *See* Army

Aliens
Armenians and Assyrians, franchise rights of under War-time Elections Act, 5421
Disfranchisement of, 1862, 5416
Enlistment of, 4413, 4415
Homestead rights of, 3808
Naturalization of, 3810

Ames, Sir Herbert B. (Montreal, St Antoine)
Budget, 742
The tariff, 742
Government expenditure, 743
Building of highways, 744
Taxation of business profits, 745
Debt of Canada, 745
Military Service, 2738
Contravention of Act, 3346
Enforcement, 2744
Exemptions, 3220
Petitions for and against, 2738
Recruiting, progress of, 2742
Patriotic Fund
Disbursements, 378, 382
Pensions, 382
Pensions, military, 1615
Soldier Settlement Board, 3785
Soldiers
Assigned pay of, 384
Pay of, 3215
Returned, provision for, 756
Voting of, 4781, 4912
Taxation of incomes, 4084, 4095, 4099, 4641, 4647
Unclaimed bank balances, 1008
War charities, 6064

American Turf Association, 47

Amqui-St. Leonard mail contract, 3903

Anderson, Mr. David, employment of, 1265

Angers, Captain, dismissal of, 758

Anglo-French delegates, visit of to Canada, 669

Apples, embargo on export of, 5776

Appropriation Acts
1. Bill No. 20 (for 1916-17, $9,127,777.42; for 1917-18, $32,195,144). Res., 1r., 2r., com., 3r., 584
2. Bill No. 108 (for 1917-18, $24,054,845.38). Res., 1r., 2947; 2r., com., 3r., 3086
3. Bill No. 128 (for 1916-17, $4,821,217.80). Res., 1r., 5242; 2r., com., 3r., 5275
4. Bill No. 135 (for 1917-18, $51,096,767.05). Res., 1r., 2r., com., 6061; 3r., 6062

Archives, Public
Expenses, 5791
Records, 3742

Armstrong, Mr. J. A. M. (North York)
Military service, 2546
Railway mail service, 2244

Armstrong, Mr. Joseph E. (East Lambton)
Canadian Northern railway, acquisition of, 4496, 5160
Fuel, 1405
Government Railways Act amendment, 4350
Intoxicating liquor, prohibition of, 4399
Railway Act, the, 3422-3453, 3511-3553, 3592-3609, 3717

Armstrong, S. A., position of, 802

Army
Allowances
Dependents of men joining British Army. to, 385
London offices, to soldiers employed in, 5915
Separation, 336, 382, 383, 387, 1191, 3075, 4001
Subsistence, 4001
Assigned pay, 383
Badges of identification, 5953
Bands, regimental, 4044
Battalions
Forestry
List of, 4509
Recruiting for, 5703
Wages paid in, 3950, 3509
60th, 525
105th. Supply Officer Lieut. R. J. Moffat, 5361
122nd, 5083
156th, 523
167th, 5272
Camps
Aldershot, 3295, 3419
Borden, 96, 100, 101

Army—*Con.*
Intoxicating liquor in, 535, 806, 1226, 1266, 1561, 1567
Petewawa land claims, 5241
Training, in Canada, 899
Canteen system in England, 718
Casualties
June 30, 1916, to June 5, 1917, 2201
June, 1917, 3719
July, 1917, 4151
August 16-31, 1917, 5901
Civil servants, in, pay and allowance to, 663, 713
Classifications, 2185
Commissions, granting of, 203, 207
Conscription. *See* Military service
Demobilization plans, 3118
Dental Service, 31
Officers, 1574, 4009
Desertions, 338, 3111
Discharge
Purchase of, 3111
Regulations governing, 3096, 3098
Table of, 3096
Total to June 30, 1917, 4152
Work pay, on, 457
Divisions, 459, 2186
Enlistment
Aliens, of, 4413, 4415. *See below* Persons of foreign birth
British army, in, 385
Civil Service, from. *See* Civil Service
Different units, in, 29, 245
Farmers, of, 4685
Figures
April 30, 1917, to, 1572
June 30, 1917, to, 4152
July, 1917, 4151
Generally, 2411, 2442, 2446-2451, 2454, 2463-2478, 2573, 2583, 2600, 2624, 2631, 2647, 2855, 2884, 2904
Moosejaw, at, 5122
Non-residents, of, 1476
Persons of foreign birth, 3656, 3759. *See above,* Aliens
Provinces, by, 216, 221
Unfit men, of, 697, 3099, 3107, 4003
Urban and rural, 3135
Western provinces, from, 4685
Equipment, 23. *See also* War supplies
Expeditionary force
Command of, 28, 268
Conditions governing in respect of British Government, 1576
Control of by Canada, 20, 39
Disposition of, 268, 1816, 2356
Holiday for, proposed, 5902, 6065
Status of, 259

Army—*Con.*
Terms respecting enlistment in, 1576
Fifth Canadian Division, command of, 459
Highland Brigade, 458, 552, 556
Hospitals. *See that title*
Irish-Canadian Rangers, 458
Medical service. *See* Canadian Army Medical Service
Non-commisisoned officers, 1608
Officers
Alleged surplus of, 3102
Appointments, charges regarding, 98
Mentioned in despatches, 4062
Pay of, 1628, 1673, 5773
Reversion in ranks, 3997, 5773
Retention of on leave, 5902
Salutes to, 5424
Unemployed, 560, 3102
Wives of, passports for, 3996
For individual officers see their names
Overseas Department
Officers employed by, 6069
See also under this head Expeditionary force
Pay and Records office, staff of, 3104
Pensions. *See that title*
Recruiting
Advertising in connection with, 986, 3136
Civil Service, from. *See that title*
Correspondence between Prime Minister and ex-minister of Militia, 2446, 3086
Expenses, 1959
Folkstone Director of, 1226
Forestry battalions, for, 5703
Generally, 51, 69, 86, 98, 101, 269, 559, 2395, 3371
Irish, Mr. Mark, statements of, 2707
Medical examination of recruits, 3098, 3963, 3967
National service proposals, 360
Officers
Bonaventure county, 1675
Cape Breton, 5361
Quebec, 3135
Rimouski, 456
Orders in Council respecting, 2482
Provinces, by, 2511. *See also under titles of Provinces*
Retarding of, alleged, 3086, 3110
Statement by Prime Minister, 194
System of, 360, 372
United States
British subjects in, 2482
Canadians in, 3758, 3759, 3904, 4466
Regiments
104th, 1570
165th, 1725
Reinforcements. *See* Military Service

Army—*Con.*
Rejected men
Certificates to, 5423
Disposition of, 3099
Rum, issues of, 535, 536
Soldiers
Age of on enlisting, 3577, 3993, 4001
Attendance of at political meetings, 4338, 5231
Deceased, estates of, 3805
See also Soldier Settlement Board
Employment of on farms, 1677
Former occupation of, 4685
Graves of, 1534
Leave of absence, 4005, 4055
Life insurance of, 3557, 3589
Mail matter for, 1263, 3644
Pay
Assigned, 383
Increases in, proposed, 2603, 5223
Promotion, in cases of, 5423, 5773
Working, 457
Personal requests concerning, 4203
Public meetings, attendance of at, 4338, 5231
Returned
Badges for, 5953
Care of, 10, 67, 587, 1586, 1594
Committee on, 459, 524, 756
Employment of, 3846
Camp Kapuskasing at, 5422
Government service in, 491, 1127, 1850, 1858, 1884, 6054
Pensions, scale of, 1594
See also Soldier Settlement Board *and* Pensions
Reversions in rank; pay in such cases, 5423
Voting of, 87, 223, 452, 1383, 2403, 2557, 2651, 2850, 3727, 4406, 4688, 4693, 4740, 4792, 4874, 5195. *See also* Military Voters Bill *and* War-time Elections Bill
Widows of, 3805
Working pay, cessation of, 457
For individual soldiers see their names
Soldier Settlement Board. *See that title*
Substitutes, buying of, 3113
Troops
Alleged stoning of, 803, 2756
Despatch of to the front, 574
Local, supplies for
Pictou, N.S., contracts, 303
Trenton, N.S., contracts, 303
Maintenance of at the front, 536
United States, training of in Canada, 2482

Army—*Con.*
Unfit men
Certificates to, 5423
Utilization of, 3099
Veterans. *See* Army and Navy Veterans Incorporation Bill
Work pay, cessation of, 457
See also Military Service *and* War

Army Act. *See* Military Service Bill

Army and Navy Veterans of Canada Incorporation Bill, 1r., 5421. 2r., 5541. 3r., 5910

Arthurs, Mr. James (Parry Sound)
Army
Officers, surplus of, 3103
Pensions, 3218
Rejected men, 3101
Soldiers, voting of, 4716, 4761, 4777, 4813, 4825, 4895
Immigration from the United States, 1750
Military Service Bill, 2654
Soldiers, attendance of at political meetings, 4338, 5231

Arthurs, Lieut.-Col. James, position and pay of, 5914

Ashcroft-Fort George mail service, 668

Assyrians, franchise rights under War-time Elections Bill, 5421

Astronomical Surveys, 4917

Athletic Associations, incorporation of, 5922

Atholstan, Lord, dynamite plot against, 5360

Atlantic mail service, 452

Atlantic Patrol Service. *See* Naval Service

Auditor General
Office of, 1791
Report of, 1469

Austro-Germans in western provinces, 1265

Aviation
Canadian fund, 5362
Corps, enlistment in, 1886
See Air Service

Babtie, Dr., report of. *See* Canadian Army Medical Service

Baddeck mail contract, 1819

Bags, duty on. *See* Customs

Balfour, Rt. Hon. Arthur J.
Announcement of visit of, 613, 1724
Reception to, 1766
Speech of, 1767

Bank Act Amendment Bills
1. Bill No. 46, Mr. L. A. Lapointe, 1r., 1037
2. Bill No. 56, Sir Thomas White, 1r., 1773; withdrawn, 2008

Bank Act Amendment Bills—*Con.*
3 Bill No. 65, Sir Thomas White,—loans on farmers' live stock. Res., 1960; 1r., 1971; 2r., (referred to Banking and Commerce Committee), 2149

Bank of Commerce, Canadian, 4686

Banks and banking
Savings deposits, 4685
Unclaimed bank balances, 1001

Barnard, Mr. Geo. H. (Victoria, B.C.)
Judges' salaries, 1976
Railway Act, The, 3529

Barrette, Mr. Joseph A. (Berthier)
Gauthier, Mr. L. J., denial of statements of, 2570
Halifax Chronicle, statement in, 3352
Military Service Bill, 2521
Amendment proposed, 2524
Opposition to compulsory service, 2522
Referendum proposals, 2523

Bartlett, Major, position of, 4292, 4416, 5422

Bathurst harbour improvements, 3872

Baugh, Edward Levi
Defalcations of, 1470
Release of, 2481

Baxter, Leslie E., employment of, 3418

Bawdy houses. *See* Criminal Code Amendment Bills

Bay State Fish Company, 2321

Beans. *See* Agriculture.

Bear River, N.S.
Indian agents, 1569
Post office site, 1378, 1569

Béland, Hon. H. S., M.P., detention of in Germany, 311, 341, 524

Belford, Major J. F., position of, 5703

Bell, Mr. Graham, pay of, 1129

Bell, steamer, 1377.

Bell Telephone Company, 3548

Bell Telephone Memorial Association, 5780

Bellemare, Mr. A. (Maskinongé)
Address in reply to the Governor General's Speech, 294
Military service, 294, 2823, 3573

Bennett, Mr. R. B. (Calgary)
Bishop of Mackenzie River, 868
Canadian Northern railway, acquisition of, 4566, 4627-4638, 5149
Civil Service salaries, 2248
Companies, incorporation of, 5924-5942
Government railways, rolling stock, 4931
Gwatkin, General, 4428

Bennett, Mr. R. B.—*Con.*
Intercolonial railway
Operation of, 786
Reply to Mr. Graham's statement, 805
Intoxicating liquors, prohibition of, 4402
Legislators, free transportation for, 4936
Live stock exchanges, 5506, 5509
McLeod-Tellier Commission, 5252, 5259
Military Service Bill, 4664
Mounted Police, Royal Northwest, 4669, 4672
Overseas Military Forces, minister of, 4428
Pensions, 6023
Railways
Material for France, 1830
Private cars, 4937
Transportation for legislators, 4936
Soldiers, voting of, 1403, 4902
War-time Elections Bill, 5614
Woman suffrage, 1510

Bennett, Mr. W. H. (East Simcoe)
Flour, price of, 1048
Gordon Divorce Bill, 5499, 5904
Insurance Act amendment, 1037, 1157, 1524, 1568
National Transcontinental Railway—solicitor's fees, 454
War-time Elections Bill, 5681, 5870

Berlinguet, Thomas F. X., employment of, 1381

Bernard, Lieut.-Col. E. S., position of, 5703

Best, Mr. John A. (Dufferin)
Rankin, Captain Ramsay, 987
Troops, alleged stoning of, 803

Bickerdike, Mr. Robert (Montreal, St. Lawrence)
Capital punishment
Abolition of, 46, 325, 617, 1028
Proposed plebiscite, 1016
Russia, in, 1012
Spain case, the, 1018
Women and children, 1017, 1150
Cattle, British embargo on, 920
Dubreuil, Mr., dismissal of, 3635
Prisoners, proposed enlistment of, 1012, 1015
War-time Elections Bill, 5600

Bigamy. *See* Criminal Code Amendment Bills

Bigras, Gedéon, dynamite plot against, 5360

Bills. *See their titles*

Binder twine, 3233.

Blain, Lieut. Roswell, position of, 4245

Blain, Mr. Richard (Peel)
Army
Camps, sale of liquor in, 824
Recruiting, 3377

Blain, Mr. Richard—*Con.*
Parliament, extension of term of, 3483
Pensions, 1606
Technical education, 1240
Blondin, Hon. P. E. (Postmaster General)
Alleged statements of on conscription, 250, 339
Recruiting by in Montreal, 4415
Board of Grain Supervisors
Appointment of, 2236, 3692
Powers of, 3696, 5206
Boards of Trade Act Amendment Bill. 1r., 3609. 2r., 3657. Com., 3657. 3r., 3905
Boivin, Mr. George H. (Shefford)
Alliance Nationale, 1547
Emigration restrictions, 1726
House of Commons, payment of sessional indemnity to members, 6045
Inland Revenue Department officials, 3819
Intoxicating liquor, trade in, 3818
Military Service Bill, 2833
Extension of the term of Parliament, 2834
Vacancies in Parliament, 2836
Petitions against conscription, 2837
Recruiting in Quebec, 2841
Amendement of Mr. Barrette, 2844
Contraventions of Act, 3349
Parliamentary procedure, amendment of Mr. Barrette, 2844
Renault, Raoul, appointment of, 2374
Soldiers, voting of, 4906
War-time Elections Bill, 5626
Bolduc, Hon. Joseph, address to Mr. Balfour, 1767
Bonaventure county
Breakwater, 988
Mail service, 1126
Recruiting officer, 1675
Borden, Rt. Hon. Sir Robert (Prime Minister)
Address in reply to the Governor General's Speech, 25
Appreciation of His Royal Highness the Duke of Connaught, 25
The New Governor General, 26
Newfoundland and Canada, 26
Great Britain's part in the war, 26
Progress of the war, 27, 44
Canadian overseas forces, 28
Military Hospitals Commission, 31
Canadian Dental Service, 31
Production of munitions, 31, 36
War Purchasing Commission, 32
Transportation of war supplies, 33, 36
Financial, industrial and trade conditions, 33
Extension of term of Parliament, 37
Borden, Rt. Hon. Sir R.—*Con.*
The fiftieth anniversary of Confederation, 38
The record of the present government, 38
Control of Canadian military forces, 39
Military equipment, 40
Imperial War Conference, 42
Peace proposals, 43
Army
Act, regulations of, 3114
Available men, 2390
Canteens, open, 537
Classifications, 2185
Demobilization plans 3120
Dental Service, 31
Enlistment of persons of foreign birth, 3759
Equipment, 40, 556
Expeditionary force, suggested holiday for, 6065
Highland Brigade, 556
Medical Service, 464, 531, 601, 1864, 3970, 4954
Overseas forces
Control of, 39
Maintenance of, 357
Pay and Records Office, 3105
Pensions, 332, 1613
Rejected men, 3099
Separation allowances, 386
Soldiers
Graves, 1534
Returned, care of, 462, 524, 587
Voting of, 4805, 4819, 4880-4887, 4890
Troops, maintenance of at the front, 356
Balfour, Rt. Hon. A. J., address to, 1771
Béland, Hon. Dr., M.P., efforts for release of, 311
Bruce, Dr., report of. *See* Medical service
Canadian Northern Railway, acquisition of 4027, 4216, 4240, 4478, 4867, 4873, 5015, 5112
Canadian Patriotic Fund, 3078
Civil Service, promotions, 4666
Coal
Confiscation of by railways, 195, 334
Western mining of, 341, 523, 2570, 2609
Coalition government. *See under this title,* Union Government
Confederation, fiftieth anniversary of, 38, 524
Conscription. *See* Military Service
Customs duty on Crown's goods, 1981
Defence of Canada, 359
Farm labour, 3506
"Fiddlers, The," forbidden circulation of, 3503, 3654, 3718, 3955, 4059

Borden, Rt. Hon. Sir R.—*Con.*
Galt, Mr. Justice, investigation into report of, 2056
Gauthier, Mr. L. J., denial of statements of, 2570
Gordon Divorce Bill, 5903
High Commissioner, Canadian, office of, 4177
Hospitals, military, 464
House of Commons
Business of the House
Morning sittings, 2619, 2775, 2833
Saturday sittings, 324, 2569
Wednesday sittings, 324
Mace, new, 1468
Members, tributes to deceased, 3
Officials
Appointments, 586
Clerk of the House, retirement of, 6069
Sergeant-at-arms, death of, 6069
Imperial Munitions Board, labour, 1986
Imperial War Cabinet and Imperial War Conference
Adjournment of House for, 117, 597, 603
Announcement *re* meeting of, 42
Correspondence respecting, 5, 24
Proceedings, 1525
Cattle embargo, 1535
Dominions overseas, constitutional relations of, 1528, 1531
Development and control of natural resources, 1532
France, visit to, 1536
Imperial preference, 1532
India, representation of, 1534
Minutes of, 2354
Soldiers' graves, 1534
Statements by British Prime Minister, 2354
Judges' salaries, 5955
Labour bureaus, establishment of, 118
Lake of the Woods water level, 2775
Landry, Mr. Justice, finding of, 3110, 3615
Lessard, General, 364
Mace, vote of thanks to donors of, 1468
Members of Parliament, tributes to deceased, 3
Military Service Bill
Introduction, 1542, 2184
Amendment of Mr. Copp, 3078
Appeals, 2191, 3178
Army Act, regulations of, 3114
Available men, 2390
Board of Selection, 5083
Canada's position in the war, 2184
Contraventions of Act, 3342-3351, 3361, 3588
Exemptions, 3208, 3363, 6068
Exceptions, 3559

Borden, Rt. Hon. Sir R.—*Con.*
General provisions, 3239, 3259
Militia Act, provisions of, 2187
Necessity for reinforcements, 2187
Persons liable for service, 3116
Registrars, 5900
Senate amendments, 4663
Tribunals, 2190, 3152
Mounted Police, Royal Northwest, 4174, 4667
National Service Commission, 309, 370
Nationalist Party, 4564
O'Connor, Mr. W. F., report of, 3745, 3747, 3749
Overseas Military Forces, Minister of, 4196, 4417, 4436
Parliament, extension of term of, 37, 3419, 3504
Parliament, printing of, 5950
Parliamentary procedure
Order of the day, reinstatement of, 2877
Question of privilege, discussion on, 600
Votes and proceedings, correctness of entry in, 2880
Parliamentary Secretaryships, 4196, 4417, 4438
Peace terms, consultation with Dominions on, 300
Pensions, 6018
Pension Commissioners, 4958
Political deadlock, rumoured, 1971
Press censorship, 3654, 3718, 3955, 4059
Racing meets, limitation of, 323
Railway Act, The, 603
Railways
Employees, payment of salaries of, 5956
Material, removal of to France, 310
Traffic, congestion of, 587
Recruiting
Alleged statement regarding, 194
Correspondence with ex-Minister of Militia, 2446, 3086, 3371
Figures for 1916, 379
Retarding of, alleged, 3371
Systems explained, 360-382, 2482
Rogers, Hon. Robert, resignation of, 4736
Ross rifle, 392, 408-434, 477-522
Speaker, election of, 1
Taxation of incomes, 4655
Union Government
Correspondence with Sir Wilfrid Laurier, 2690
Rumoured political deadlock, 1971
Votes and proceedings, correctness of entry in, 2880
War
Expenditure, 354, 476
Requirements. *See* Military Service

Borden, Rt. Hon. Sir R.—*Con.*
Supplies—clothing, motor trucks, Oliver equipment, wagons, 556-558
Trophies, exhibit of, 6003
War Purchasing Commission, 32
War-time Elections Bill, 5576, 5648-5702,
War vote ($500,000,000), 354, 586 5706, 5805, 5834, 6071
Woman suffrage, 1504
Yukon price advances, 2199

Boulay, Mr. Herménégilde (Rimouski)
Agriculture Department, French-speaking employes of, 2262, 2265
Army Medical Service, 3989
Bright, the late John, 987
Budget, 1085
Free wheat, 1085
Behaviour of soldiers passing through Quebec, 1086
Necessity for co-operation with the Government, 1087
Civil Service
Employment of men in higher offices, 1256
French-speaking employees, 2262, 2265, 2340, 2759
Salaries, 2239, 2251
Government railways
Accidents, 1376
Operation and management of, 3389
Removal of obstructions, 595
Rolling stock, 594
St. Fabien crossing, 2226, 3389
Government Railways Act amendment, 4373, 4382
Interior Department, French-speaking employees, 2340
Mail service, 3640
McWilliams, Mr., dismissal of, 2167
Military Service Bill
Authority of Parliament, 2761
Classes, 3353
Exceptions, 3571
Exemptions, 3190, 3306
Quebec, position of, 2754
National Transcontinental Railway
Express service, 595
Fitzpatrick yard and engineer's residence, 455, 456
Telegraph line, 456
Ottawa Citizen, statement of, 2776
Parliament buildings, destruction of—indemnities for losses, 4413
Pension Commissioner's staff, 608
Quebec
Recruiting in, 2754
Troops passing through, insults to, 2756
Railway Act, The, 3435, 3511

Boulay, Mr. Hermenegilde—*Con.*
Rimouski
Government employees, 2165
Recruiting officers, 456
St. Lawrence signal and telegraph service, 1471
Scientific and industrial research, 3957
Senate, proposed change in constitution of, 1145
South African war, 2200
Steamship services, 2323
Technical education, 1249
Telegraph and telephone lines, 5384
Troops, alleged insults to, 2756
Veterinary Director General, 987
Bourassa, Mr. J. Boutin (Lévis)
Gravel, Lieut. Gedéon, 1674
Gravelle, Oscar, 1226
Levis railway station, 1129
Military Service Bill, 3069, 3147
St. Romuald public works, 1129
Boy Scouts Association, 2062, 3740
Boyce, Mr. Arthur C. (West Algoma)
Military Service, 3147
Boyce, George H., position of, 1472
Boyer, Mr. Gustave (Vaudreuil)
Butter and cheese purchases, 899
Maple sugar—adulteration, 1958
Military service, 2931
Boys, Mr. W. A. (South Simcoe)
Address in reply to the Governor General's Speech, 90
Patriotism of Canadian women, 90
Simcoe county and the war, 90
Loyal Orange Order, 91
The Dorchester election, 92
National service, 93
Recruiting in Quebec, 94
Bradbury, Mr. George H. (Selkirk)
Army canteens, 811
Army and navy veterans, 5910
Capital punishment, 634
Dominion Lands Act amendment, 3799
Military service, 3190
United Grain Growers, Limited, 893
War affairs, Government administration of, 3383
Brampton-Palestine mail route, 590
Bran. *See* Grain
Brantford moulders' strike, 2322
Breadner, Mr. R. W., position of, 3676
Bright, the late John, 987
Brindle, Mr. William, dismissal of, 3758
British Admiralty, recruiting in Canada for, 4159, 4163
British Cattle Supply Company, 1817

British Columbia Indian Commission, 653, 1896

British Government and Canadian Pacific Railway Financial Arrangements Bill, 1r., 1369. 2r., 2059. Com., 2059. Rep., 2061, 3r., 2139

British Government, war supplies, purchases of in Canada, 4953, 5517, 5541

Bromptonville postmaster, 1129.

Brouillard, Mr. Ovide (Drummond and Arthabaska)
Ætna Explosives Company, 4508
Military service, 3072

Bruce, Dr., investigations of. *See* Canadian Army Medical Service

Buchanan, Mr. W. A. (Medicine Hat)
Army allowances, subsistence, 5915
Canadian Northern Railway, acquisition of, 5178
Coal mining, western, 119, 458, 523, 1266, 1372, 1616, 1723, 1725, 2526, 2570, 2653
Coutts quarantine reserve, 590
Economic and Development Commission, 1125
Farm labour, 3507
Fuel, 1414
Grain
Commission, 3711
Elevators, 986
Seed, advances for, 303, 305
Home guard duty, 336
Hudson's Bay Company lands, taxation of, 986
Hyde, Mr. J. W., 301
Indian reserves, 989, 2389
Judgments, uniform interest on, 900
Letter carriers' salaries, 1474
Medicine Hat military reserve, 301
Military service, 2600
Exemptions, 2607
Referendum proposals, 2607
Taxation of wealth, 2608
Mounted Police pensions, 5701
Oil-boring machinery, 301
Proportional representation, 913
School lands, western, 1378
Shaw, Mr. F. D., dismissal of, 1847
Soldier Settlement Board, 1163
Soldiers, former occupations of, 4685
Taxation
Farm implements, 1686
Hudson's Bay Co. Lands, 986
Income, 1687, 4122
Wealth, 2608
Unclaimed bank balances, 1009
War-time Elections Bill, 5580
Woman suffrage, 1515

Budget debate, 718. Amdts. proposed: Mr. Turriff, 750, 845, 870, 937, 1085, 1089, 1194, 1201, 1267; Mr. Robb, 1317, 1319, 1423; Mr. Oliver, 1424. Mr. Loggie, 1424. *See also* Taxation.

Bull, Mr. Perkins, position of, 1130

Bureau, Mr. Jacques (Three Rivers and St. Maurice)
Berlinguet, Thos. F. X., 1381
Canadian Northern Railway, acquisition of, 5016, 5168
Industrial requirements, 2696
Inland Revenue Department estimates, 3835
Military service, 2693, 5882
Montreal Gazette, statement of, 2709, 4739
Public Works Department architect, 5104
Quebec judges' salaries, 5798, 5800
St. Maurice river improvements, 1381
Taxation of incomes, 5886
Three Rivers
Harbour improvements, 3879
Public building, 668
War-time Elections Bill, 5667, 5695, 5712-5771

Burford, recruiting in, 601

Burgess, defalcations of, 1127

Burke, Col. Rev. A. E., position of, 5704

Burnham, Mr. John H. (West Peterborough)
Aliens, enlistment of, 4415
Army
Camps, sale of liquor in, 817
Enlisted men, age of, 3577
Pensions, 1594
Unfit men, 699
Assistant Deputy Minister of Labour, suspension of, 6911
Capital punishment, 623
Civil Service, appointments, 2019
Government Railways Act amendment, 4355
Grain for breweries and distilleries, 1179
Intoxicating liquors, prohibition of, 4403
Judges' salaries, 1977
Labour—Industrial Disputes Investigation Act, 1112
Military Service Bill, 2555, 3365
Parliamentary secretaryships, 4204
Patent medicines, war tax on, 363
Shipbuilding, 1932
Soldiers, voting of, 2557
Soldier Settlement Board, 3630
Technical education, 1238
Trent canal wharves, 759
Venereal diseases, 817, 869

Burrell, Hon. Martin (Minister of Agriculture)
Agriculture Department
Estimates, 654, 2062, 2255, 3744, 4677
French-speaking employees in, 2263
Publications, 2274
Animals
Health of, 2271
Pure bred, purchase of, 2276
Cattle, British embargo on, 921
Cheese
Purchases by British Government, 1971, 2197, 2257, 2267
Regulations regarding manufacture of, 2267
Cold storage plants, 2076, 2256
Exhibitions, 2261, 2270
Experimental farms, 4682
Flax industry, 4683
Food supplies for Great Britain, 2260
Grain
Diseases—rust, 2064
Seed, 1188, 4677
Hogs
Inspection of, 2271
Cholera, 2273
Live Stock and Produce Bill, 4287, 5503
Pelagic Sealing Treaty, claims under, 5970
Potatoes
Powdery scab, 2269
Supply of, 936, 1088, 1189, 2095
Public health, 999
Seed grain purchases, 1188, 4677
Technical education, 1246
Telegraph and telephone lines, 5397
Western farmers, relief for, 3478, 4677
White pine blister rust, 4677
Business Profits War Tax Act, administration of, 3655, 3676, 5290
See also Taxation
Business Profits War Tax Act Amendment Bill. Res., 1436, 1445. 1r., 1774. 2r., 2107. Com., 2107. Rep., 2108. 3r., 2139
See also Taxation
Butter. *See* Agriculture
Cables. *See* Telegraphs
Campbell, Mr. Duncan J., position of, 758
Campbell, Capt. G. H., employment of, 4508
Campbellton-Gaspe steamship service, 1126, 1228, 1959
Canada Evidence Act Amendment Bill. 1r., 4291. 2r., 4463. Com., 4463. 3r., 4466
Canada Gazette, publication of, 3737
Canada Grain Act, expenses under, 5205
Canada Grain Act Amendment Bill. 1r., 386
Canada Temperance Act
Expenses under, 5243
New Brunswick, proposed repeal, 1263, 3739
Canada Year Book, 2337.
Canadian Army Medical Service
Babtie, Dr.
Inquiry and report, 201, 227, 522, 559, 669, 4195
Reply to by Dr. Bruce, 4954
Bruce, Dr.
Report, 201, 227, 527, 559, 601, 669, 1343, 1720, 1864, 3962, 4194.
Publication of, 3845
Reply to Dr. Babtie report, 4954
Carleton-Jones, Surgeon General, report of, 1866
Changes in, 4466
Treatment of soldiers, 3963
See also Hospitals
Canadian Associated Press, 5290
Canadian Association of Returned Soldiers, 4951
Canadian Aviation Fund, 5362
Canadian Bank of Commerce, shareholders and investments of, 4686
Canadian General Council of the Boy Scouts Association, grant to, 3740
Canadian Government Railways
Branch lines, 2223, 2228
Cars
Freight, 2205
Intercolonial, on, 1378, 2226, 3395
Private, 4933
Purchase of, 758, 1376, 1866, 4298
Refrigerator, 4933
Coal for, 3388
Purchase of, 592, 664, 667
Construction and betterment, 3385
Employees
Pay of enlisted, 595
Promotion of, 759
Freight handlers at Pictou, 303
Employees' magazine, 452
Halifax terminals, 2204
Hudson Bay railway, 3396, 5086
Ice, tenders for, 301
Intercolonial
Accidents, 1376
Boisdale, contracts for work at, 4415
Cars, 2226
Shortage of, 1378
Purchases, 3395
Coal, freight rates on, 3511, 4292
Construction and betterment—details of items, 2224
Crossings, 2222
Damage claims, 2707, 3416
Earnings, 2202
Grades, improvement of, 456
Grand Narrows bridge, 2321

Canadian Government Railways—*Con.*
Levis station, 2208
Maritime Express service, 8
Milford ballast pit, 2320
Obstructions, removal of, 1376
Operation of, 759
Passenger service, 2203
Peniac bridge, 2320
Pension fund, 1476
Rails, 1575
Rates, coal, on, 4292
Station accommodation, 2227
Stations, naming of, 3386
Tracadie siding, 2618
See also Government Railways Act Amendment Bill.
Intoxicating liquors, shipment on, 591
Level crossing, Pictou harbour branch, 304
Line improvements, 2204
Military and hospital trains, 2205
National Transcontinental
Earnings, 2203
Engineers' residence at Fitzpatrick, 455, 456
Express service, 595
Fitzpatrick yard, 455
Freight rates, 2210, 3394
Operation, 657, 1573, 3411.
Expenses of, 2203
Portneuf claims, 1571
Rails, removal of to France, 1229, 1266, 2225
St. Malo shops, 1128
Salmon river viaduct, 2212
Solicitor's fees, 454
Telegraph line, 456
Ties, purchases of, 455
Traffic, 2209, 2218
Obstructions, removal of, 595
Officials, 657, 3390
Operation of, 2203, 3386
Passenger service, 2207
Prince Edward Island
Car ferry and terminals, 2205
Widening of, 3902, 3945
Quebec railways, 4948, 5452
Rails, 2224
Rolling stock, 594, 4928. *See, under this title,* Cars
Safety-first inspectors, 337
Ships, building of, for, 4939, 5429
Valley railway, 1380
Working expenses, 3410
See also Government Railways Act Amendment Bill

Canadian Northern Railway.
British Columbia, lines and works aided by province of, 4987

Canadian Northern Railway—*Con.*
Capital stock of affiliated companies held by, 4626
Payments on interest account, 4338
Removal of rails from, 301, 3398

Canadian Northern Railway Company.
Financial statements respecting, 4058
Report of Drayton-Acworth Commission, 4011

Canadian Northern Railway Acquisition Bill.
Res., 4022, 4215, 4217, 4247. 1r., 4293. 2r., 4467, 4512, 4566. Com., 4590, 4622, 4835, 4960, 5015. 3r., 5108, 5123-5194
Amendment proposed: Mr. Graham, 4477; lost on div., 4590
Closure applied, 5002, 5015, 5121, 5123

Canadian Pacific Railway. *See* British Government

Canadian Patriotic Fund, 595, 3078
Allowances from, 203, 207, 383, 3951
See also War Charities

Canadian Press Limited, 3740

Canals, 3402, 3417
For individual canals, see their titles

Canteen. *See* Army

Cape Bold breakwater, 3873

Cape Breton
Recruiting officers, 5361
Senate representation, 89

Cape Cove pier, 3879

Capital Punishment,
Plebiscite proposed, 1016
Russia's abolition of; proposed congratulations, 1012
Spain case, 1018
Women and children, in cases of, 1017, 1150
See Criminal Code Amendment Bills

Caraquet and South Shore Railway, 2223, 3387

Cardin, Mr. P. J. A. (Richelieu)
Canadian Northern Railway, acquisition of, 5175
Military Service Bill, 3058
St. Lawrence Flour Mills Company, 4509

Carleton beach protection works, 1128

Caron, Mr. Hector, employment of, 4151

Carrier, Emile, allowance to, 581

Carroll, Mr. William F. (South Cape Breton)
Aeroplane service, 1331
Army Recruiting Officers, Cape Breton, 5361
Budget, 1424
Taxation of incomes, 1424
Government expenditure, 1425
So-called prosperity, 1426
Control of food prices, 1427

Carroll, Mr. W. F.—*Con.*
Reply to statements of Mr. Edwards, 1430
Canada Temperance Act, 5244
Canadian Government Railways, private cars, 4933
Canadian Northern Railway acquisition of, 5140
Censors and decoders, 576
Customs Department, motor boats, 3759
Dental officers, 1574
East Bay wharves, 5315, 5317
Flour, price of, 1044
Food products, prices and control of, 1427
Indians—Sydney reserve, 1888
Insurance, 5203
Macdonald, Miss Jessie, 5361
McNeil, Lt. John D., 5272
Military Service, 2854
Nova Scotia steamship service, 2291
Shipbuilding, 1331
Submarine situation, 1329
Taxation
Incomes, 1424
Wealth, 2859
Toronto, Hamilton and Buffalo Railway, 2613
Carroll, Lieut. W. F., M.P., position and pay of, 6066
Carson, Major General, position of, 986
Carvell, Mr. Frank B. (Carleton, N.B.)
Agricultural instruction, 3755
Army, soldiers
Pay of, on promotion, 5423
Voting of, 4795-4834, 4874-4887, 4889-4914
Bear river, N.S.
Indian agents, 1569
Wharfinger, 1378
British preference, 1711
Canada Gazette, 3738
Canada Temperance Act, 1263, 3739, 5243
Canadian Government Railways
Branch lines, 2230
National Transcontinental, Salmon river viaduct, 2212
Promotion of employees, 766
Quebec railways, 5464
Canadian Northern Railway, acquisition of, 4253, 4266, 5146
Companies, incorporation of, 5928-5942
Criminal Code amendments, jurors, 4301, 4318
Daylight saving, 3682
Desjardins, Lt. Col., 1818
Farm implements, duty on, 1708
Flour, price of, 1051
Georgian Bay Canal Commission, 989
Gordon divorce case, 5903

Carvell, Mr. F. B.—*Con.*
Government Railways Act amendment, 4340, 4356, 4366, 4863
Grain, fixing of price of, 3688
Hollocody, Captain, 897
House of Commons
Members, sessional indemnity of, 5790
Stenographers, 5789
Hudson Bay railway, 2230
Immigration agents, 1737, 1756
Indians,
New Brunswick, 1889
Reserves, cutting timber on, 1889
Insurance, 4388, 5202
Maritime Provinces, military affairs, 5226
McLeod-Tellier Commission, 5247, 5254
McNeil, F. C., payments to, 1380
Military district No. 6, 5226
Military service, 2709
Appeals, 3179
Referendum, 2711
Tribunals, 3152, 3161
O'Connor, Mr. W. F., report of, 3746, 3753
Parliament, railway transportation for members of, 3519
Potatoes, duty on, 5777
Proposed removal, 5274, 5982
Public works expenditure, 5348
Quarantine service, 3756
Quebec harbourmaster, 897
Railway employees, payment of salaries of, 5957, 5997
Railway Act, The, 3422-3453, 3516-3553, 3593, 3717
Ross rifle, 388, 412-434
Rural mail service, 3647
St. John harbour improvements, 5347
Soldiers, votes for, 1404
Sugar, colouring of, 1957
Surveys, 1346
Tariff revision, 1699
Taxation
Business profits, 1452, 4245
Income, 1452, 1701, 3768, 5884
Telegraph and telephone lines, 3543, 5363-5404, 5410
Unclaimed bank balances, 1007
Victoria breakwater, 1381
Valley railway, 1380
War Purchasing Commission inquiry *re* purchases, 340
War-time Elections Bill, 5660, 5676-5699, 5713
West Edmonton forest rangers and homestead inspectors, 1476
104th Regiment, 1570

Cattle. *See* Agriculture

Censorship, 3503, 3654, 3718, 2881, 3995, 4059, 5492
Censors and decoders, 576, 3718
Louisburg, at, 4008, 4048
See "The Fiddlers"

Census
Male population of Canada, 2283
Western, 2336

C. E. Tanner, steamer, 5362

Chabot, Mr. John L. (Ottawa)
Civil Service
Appointments, 2020
Salaries, 2251
Military service, 2781
Enlistment in Quebec, 2784

Chabot, Lt.-Col. J. L., M.P., position and pay of, 988

Chairman of Committees. *See* Deputy Speaker

Charitable and patriotic enterprises, organization and control of, 378, 462

Charlton, Mr. William A. (Norfolk)
Budget, 1304
Pulp and paper industry, 1304

Chicago drainage canal, 302

Chicoutimi, pure bred animals at, 4152

Chinese Immigration Act Amendment Bill. 1r., 843. 2r., com., 2139. Rep., 2149. 3r., 2285

Chisholm, Mr. A. W. (Inverness)
Economic and Development Commission, 2200
Fish and fisheries
Advisory Board, 2151
Dogfish, 2177
Inverness harbour, improvements, 5326
Margaree harbour improvements, 3867, 5330
National Service, provincial directors of, 2200
Nova Scotia public works, 5319, 5337
Scotch Hill post office, 3649
Steamship service, 2301, 2306
Telegraph and telephone lines, 5371

Cheese. *See* Agriculture: Dairy

Civil Service
Act, administration of, 1791
Appointments
Order in Council, Jan. 1917, under, 3003
Regulations governing, 643
Returned soldiers, 643
See also Army: Soldiers: Returned
Section 21, under, 607, 650, 693, 1023, 1351, 1937
Compulsory retirement from, alleged, 2059

Civil Service—*Con.*
Disfranchisement of civil servants, proposed, 2018
Dismissals, proposed, 3633
Employees, French-speaking, 2262, 2759
Employment of men in higher offices, 1256
Enlistments from, 192, 2014
Pay and separation allowances, 213, 663
Insurance, 3503
Mail carriers. See Post office
Promotions, 2010, 2011, 2238, 4666
Salaries, 1791, 2008, 2238, 2946
Enlisted men, of, 1353, 2014, 2252
Proposed increases, 583
See Civil Service Act Amendment Bill.
For departments see their titles

Civil Service Act Amendment Bill. Res., 2008. 1r., 2024. 2r., 2149. Com., 2238. 3r., 2285

Clark, Mr. Hugh (Parliamentary Under Secretary of State for External Affairs)
Mounted police, 4668

Clark, Mr. Michael (Red Deer)
Army, canteens, 811
Budget, 736
Problems arising from the war, 736
Necessity for economy, 737
Taxation of incomes, 738
Maintenance and extension of our foreign commerce, 739
Free trade, 740
Canadian Northern railway, acquisition of, 4867
Grain for breweries and distilleries, 1183
Military service, exemptions, 3367
Newspaper articles, correction of, 3617
Parliament, extension of term of, 3492
Political deadlock, rumoured, 1971
Referendum, 2665
Senate, appointments to, 934
Separation allowances, 1191
Soldiers, votes for, 1387
Taxation
Business profits, 737
Income, 738, 4639
Woman suffrage, 1518

Clarke, Mr. W. A. (North Wellington)
Military Service Bill, 2861

Clergy as immigration agents, 5361

Clements, Mr. H. S. (Comox-Atlin)
Wharves, construction of, 5318

Cloakey, George, employment of, 1819

Closure. *See* Speaker, Parliamentary Procedure; Canadian Northern Railway Acquisition Bill

Coal. *See* Mines

Coal miners' strikes. *See* Mines

Coalition government, 2463, 2887, 2901, 3000, 3014, 3023, 3727, 3732
Political deadlock rumoured, 1941
See National government
Correspondence between Sir Robert Borden and Sir Wilfrid Laurier, 2692

Cochrane, Hon. Frank (Minister of Railways and Canals)
Canadian Government railways
Cars, purchase of, 4928
Coal purchases, 664, 667
Freight rates, 3394
Hudson Bay railway, 5087
Intercolonial
Cars, 2227
Construction and betterments, 2224
Management and operation, 775
Officials, appointment of, 658
Passenger service, 2203
Line improvements, 2204
Military and hospital trains, 2205
Rails, 2224
National Transcontinental
Freight rates, 2210
Operation, 658
Salmon River viaduct, 2217
Operating expenses, 2203
Prince Edward Island railway terminals and car ferry, 2205
Canals
St. Peter's, 3406
Trent, 2206, 3405
Welland, 2206
Coal
Confiscation of by railways, 584
Shortage, 83
Prices, 666
Government Railways Act Amendment Bill, 3845, 4339, 4365, 4386
Provincial legislators, free transportation for, 684
Quebec railways, 5472
Railway Act, the, 194, 602, 605, 3421, 3511-3553, 3592-3608, 3716
Railway, situation, inquiry into, 3408
Railways—France, removal of materials to, 311, 1825, 3407
Railways and Canals Department estimates, 657, 2202, 3385, 4925, 4928, 5428
St. John and Quebec Railway Act Amendment Bill, 2433, 3401

Cockshutt, Mr. William F. (Brantford)
Address in reply to the Governor General's Speech, 100
The war, 100

Cockshutt, Mr. W. F.—*Con.*
Camp Borden, 101
Recruiting, 101
France and the war, 102
President Wilson's peace proposals, 103
Control of foodstuffs, 106
Canada's trade, 108
Army; officers, reversion to ranks of, 4000
Bell Telephone Memorial Association, 5780
Flour, price of, 1065
Military service, 2599, 3233
Labour, 2604
Recruiting, 101
Soldiers' pay, 2603
Taxation
Income, 4077, 4080, 4092

Cold Storage,
Plants
Effect of, upon cost of living, 2027
Government control of, 1628
Proposed nationalization of, 2076
Subsidies for, 2076, 2255, 3744
Lockport Cold Storage Company, 2202

Commerce, Canadian Bank of, 4686

Committees. *See* House of Commons

Companies Act Amendment Bills,
Corporations for other purposes than gain, (No. 129, Sir Thomas White) 1r., 5242
General (No. 132, Sir Thomas White), 1r., 5880; 2r., 5918; com., 5918; 3r., 5953
Uniformity (No. 43, Mr. A. K. Maclean), 1r., 843; 2r., 1151

Compulsory military service,
See Army *and* Military Service Bill

Contract Prices, Bill to prohibit,
See Criminal code amendment

Confederation, fiftieth anniversary celebration, 11, 16, 24, 38, 47, 150, 161, 175, 524
Committee
Apointed 587
Joint action with Senate, 642
Report, made, 1865; adopted, 2283

Connaught, The late Duchess of
Expressions of sympathy on death of, 609

Conscription
Manhood, of, 14, 54, 191, 893, 1586. *See* Military service
Blondin, Hon. P. E., alleged statement of, 339
Wealth. *See* Taxation

Conservation
Commission, salaries, etc., 3744, 5793
Forestry—poplar trees. 3742

Copp, Mr. A. B. (Westmorland)
Address in reply to the Governor General's speech, 160

Copp, Mr. A. B.—*Con.*
Recruiting among the French Canadians, 160
The fiftieth anniversary of Confederation, 161
National government, 161
Political patronage, 162
Extravagance of present administration, 163
The ex-Minister of Militia, 164
National service, 170
Westmorland county and war profits, 171
Extension of term of Parliament, 172
The Dorchester election, 173
Alleged statement of Mr. Blondin, 173
Budget, 1307
Speech of Sir Sam Hughes, 1307
Winning of the war, 1310
Charges of extravagance against the Government, 1310
High cost of living, 1313
Revenue and expenditure, 1314
Taxation proposals, 1315
Intercolonial railway, operation of, 1316
Canadian Government Railways
Construction and betterment, 3387
Intercolonial
Grand Narrows bridge, 2321
Management and operation, 773
Milford ballast pit, 2320
Peniac bridge, 2320
Government Railways Act Amendment, 4363
Canadian Northern Railway, acquisition of, 5143
Cape Bald breakwater, 3873
Cost of living, 2005
Customs duties payable by provincial governments, 2135
Dorchester county election, 173
Fisheries officers, 2164
Food products, price and control of, 1313
Government Railways Act Amendment, 4363
Indians, 1892
Inland Revenue Department estimates, 3843
Labour problems, 1173
Migratory birds, 3658
Military Service, 3075
Moncton armoury site, 4787
National service, 170
National Transcontinental Railway, removal of rails, 2225
Patriotic Fund, 3077
Pensions, 6031

Copp, Mr. A. B.—*Con.*
Proportional representation, 917
Railway Act, The, 3442
Sackville wharves, 3878
Soldiers, votes for, 1401, 4703
Taxation, 1315
Telegraph and telephone lines, 5382
War-time Elections Bill, 5610
Wilfrid C., boat, 4062

Cost of living
See O'Connor, Mr. W. F., K.C., *also* Cold storage

Council of Indian Tribes of Canada Incorporation Bill, 1r., 3902

Courcelette, steamer, 1377

Court, Pte. Harry Ivan, request for discharge of, 3295

Courts, *See* Justice

Coutts quarantine reserve, 590

Cox, John, position of, 1472

Criminal Code Amendment Bills
Alien enemies prohibited from voting (No. 59, Mr. Currie), 1r., 1862
Capital punishment, abolition of, (No. 3, Mr. Bickerdike), 1r., 46; 2r., moved, 325, negatived, 1028-1036
See Capital Punishment
Contract prices, prohibition of, (No. 21, Mr. Knowles), 1r., 386; 2r., moved, 1617; debate adjourned, 1627
Insurance (No. 54, Mr. Doherty), 1r., 1773; 2r., 2104; com., 4388; 3r., 4395
Jurors, (No. 97, Mr. Doherty), 1r., 2567; 2r., 4293; com., 4318; 3r., 4383. Six months' hoist, moved by Mr. Lemieux, negatived, 4307
Non-support; foster parents; bawdy houses; insolvent traders; constables' fees, (No. 124, Mr. Doherty), 1r., 4291; 2r., 4463; com., 4463; 3r., 4466
Racing meets, limitation of, (No. 2, Mr. Wilcox), 1r., 8; 2r., 313-324

Cromwell, Mr. F. R. (Compton)
Live stock purchases, 2279
Railway Act, The, 3604

Cross point wharf, 988, 1228, 1571

Crothers, Hon. T. W. (Minister of Labour)
Army
Camps, sale of liquor in, 831
Soldiers, voting of, 4702
Assistant Deputy Minister of Labour, abolition of office of, 686
Budget, 1267
The extravagant waste of time in the House, 1267

Crothers, Hon. T. W.—*Con.*
Administration of Labour Department, 1269
The labour situation, 1270
The coal situation, 1275
Food prices, 1273
Coal
Questionnaire concerning, 1996
Sale, regulation of, 1275
Western mining of, 159, 614, 1266, 1372, 1616, 2295, 2570, 2653, 2776
Food
Control of sales and prices, 1273, 1989, 2083
Flour, price of, 1043
High cost of living, 695
Industrial Dicputes Investigation Act, 1112, 1168, 1270
Labour Department
Administration of, 1269
Estimates, 686, 1112, 1166, 1989, 3652
Landry, Mr. Justice, findings of, 5248
Le Canada, correction of statement in, 2571
Military Service, 2483
Referendum, 2487
O'Connor, Mr. W. F., K.C., inquiry and report by, 3652, 3925
Strikes, prevention of, 1270
Technical education, 1236
Thetford mines labour trouble, 1118
War-time Elections Bill, 5867
Yukon, cost of living in, 2199, 2481, 2525

Cruise, Mr. Robert (Dauphin)
Budget, 1432
Taxation of profits, 1432
Government expenditure, 1434
Free wheat, 1435
Proposed Highways Bill, 1435
Manitoba boundaries extension, 1435
Campbell, Duncan J., 758
Chabot, Lt.-Col., 988
Free wheat, 1435
Glen, Col. Joseph, payments to, 1377
Railway Act, The, 3520, 3550
Railway transportation for members of Parliament, 3520
Smith's Falls postmaster, 1570
Taxation of business profits, 1432

Cunningham, Frances Henry, payments to, 1125

Currie, Mr. John A. (North Simcoe)
Aliens, 3810, 3812
Austro-Germans in western provinces, 1265
Bill to prohibit voting by alien enemies, 1862

Currie, Mr. J. A.—*Con.*
Army
Recruiting, 3372
Officers, military pay of, 1676
See, under this head, Soldiers
Army and Navy veterans, 5912
Civil Service appointment, 2019
Coal, 2001
Companies, incorporation of, 5926, 5928
Criminal Code amendments, Jurors, 4299
Dominion Lands Act Amendment, 3801, 3805-3817
France, trade relations with, 2310, 2316
Gordon Divorce Bill, 5498, 5905
Grand Trunk Pacific Railway Company Branch Lines Company, 1375
Imperial Preference, 1584
Loans to farmers, 1965
Martell, Lt. L. A., 5914
Military Service
Classes, 3293, 3356
Exemptions, 3221, 3228, 3279, 3304, 3367
General provisions, 3243, 3252
Great Britain, in, 2908
Regulations, 3316
Reinforcements, need of, 2904, 2915
Selective draft, 2916
O'Connor, Mr. W. F., report of, 3752
Packages, marking of—inspection and sale,—4069
Parliament, printing of, 5949, 5950
Pensions, 6008
Railway Act, The, 3548
Rifles, importations of, 1125
Rural mail carriers, 3643
Shipbuilding, 1584, 5449
Soldiers,
Parcels for, 3644
Returned, 1586
Votes for, 4775, 4832
Widows of, 3805
Stayner public building, 5412
Taxation, proposals of the Government, 2912
Telegraphs and telephones, 3548
War
Canada's part in the, 2906
Prosecution of, 1576
War-time Elections Bill, 5762, 5845

Currie, Col. J. A., M.P., military position and pay of, 595

Currie, General, despatch from, 4510

Customs
Bonded goods, shipments of, 1854
Department
Appointments of returned soldiers, 1850, 1858, 1884

Customs—*Con.*
Dismissals, 1844
Estimates, 643, 1843, 1881, 5098, 5777
Motor boats in use by, 3759
Motor car of, 1476
North Sydney officials, 1852
Staff and salaries, 643, 1843, 5908, 5777
See also Civil Service
Drawbacks, payments of, 1818
Forms, printing of in French and English, 3133, 3134
Minister of, private car for, 5082
Preventive service, 1881
Revenue cruisers, 1881
Unclaimed goods, disposal of, 3743

Customs Act Amendment Bill
Duties payable on Crown's goods. Res., 1978. 1r., 1985. 2r., 2119. Com., 2121. Rep., 2136. 3r., 2137

Customs Tariff,
Alcohol, proposed free admission for hospital use, 5103.
Apples, 1472, 1615
Bags and sacks, 1867
Beans for seed, 671
Bran and middlings, 1867
British preference, proposed increase, 1776
Crown, goods of the, dutiable. *See* Customs Act Amendment Bill
Farm implements, 1686, 1708
Fertilizer, 1709
Food, proposed additions to the free list, 1776-1790
Gasolene, 1675
Hospital supplies, 5103
Imperial Munitions Board imports, 1978
Provincial governments, duties payable by, *See* Customs Act Amendment Bills

Dagneau, John F., position of, 1471

Dairying. *See* Agriculture

Dalhousie, N.B., militia buildings, 454

Danis, Joseph Maximilian, employment of, 2618

Davidson, Mr. Avard L. (Annapolis)
Army, soldiers, voting of, 4709, 4712, 4772
Carroll, Lieut. W. F., M.P., 6066
Douglas, Captain J. M., M.P., 6066
Ellis, Captain J. F., M.P.P., 6066
Neely, Captain D. B., M.P., 6066
Nova Scotia public works, 5320
Ralston, Major J. L., M.P.P., 6067
Schaffner, Mr. L. P., dismissal of, 441
Taxation, income, 4136
Telegraph and telephone lines, 5376
War-time Elections Bill, 5733, 5737

Davidson, Hon. Sir Charles, Kt., Commissioner
Payments to, 898
Report of, 249, 524

Davies Company. *See* Food: Investigation

Dawson post office, 4952, 5313

Daylight Saving Bill. 1r., 2256; 2r., 2945, 3677; com., progress reported, 3687

Dean, Lieutenant R. I., position of, 5703

Decoders. *See* Censors

"Defeat or Victory," book, question as to prohibition of, 1473

Defence of Canada. *See* Militia and Defence

Delisle, Mr. Michel S. (Portneuf)
Chicoutimi, pure bred animals at, 4152
Desertions from army, 338
Dillon, Mr. G. A., 4061
Dorchester County Railway, 5361
Fiset, Theophile, 1959
Gazelle, Noel, enlistment of, 337
Grenier, Mr. Armand, 3757
Lacasse, Mr. Isidore, 5272
Lewis, Mr. J. H., 2944
Military Service Bill, 3064
Transcontinental railway, Portneuf claims, 1571
157th Battalion, 5272

Demers, Mr. M. Joseph (St. John and Iberville)
Auditor General's report, 1469
Canadian Northern Railway acquisition of, 5078
Military Service Bill, 2561
Authority of Parliament, 2561
Motives of the Government, 2563
Referendum proposals, 2567

Deputy Speaker and Chairman of Committees (Mr. J. H. Rainville)
Address to Mr. Viviani, 1361
Election of, 334
Rulings and statements of
Bills—Sections allowed to stand not discussable, 4752
Censored publications, quotations in Parliament from, 5493
Irrelevancy, 2362, 2374, 5235, 5237
Money vote, how amendable, 521
Ways and means, second amendment to motion for, 1319

Descarries, Mr. Joseph A. (Jacques Cartier)
Address in reply to the Governor General's speech, 12
Tributes to deceased members, 13
The Allies' part in the war, 14
Conscription, 14

Descarries, Mr. J. A.—*Con.*
Imperial War Conference, 15
Expiration of term of Parliament, 15
Progressive policies of present administration, 16
Fiftieth anniversary of Confederation, 16
Military Service Bill, 2982
Appeals, 3184
Burden of proof, 3323
Tribunals, 3172
Railway Act, The, 3441, 3444

Desjardins, Lt.-Col., employment of, 1818

Devlin, Mr. Emmanuel B. (Wright)
Address in reply to the Governor General's Speech, 244, 249
National unity and harmony, 244
Recruiting figures, 245
Quebec and the war, 247
Patriotic policy of Liberal party, 248
Statements of Hon. Mr. Blondin, 250
Attitude of the Government, 250
Blondin, Hon. Mr., alleged statements of, 250
Burgess, defalcation of, 1127
Canadian Expeditionary Force, 1576
Canadian Northern railway, 4863
Civil Service
Disfranchisement of civil servants, 2021
Salaries, 1038, 2010
Grain for breweries and distilleries, 1176
Judges' salaries, 5797
Military Service Bill, 2731
Authority under Militia Act, 2732
Contraventions of Act, 3332
Persons liable for service, 3129
Quebec province, position of, 2736
Referendum proposals, 2736
Tribunals, 3153
Milsom, Major J. C., 1265
Recruiting, 245
Folkstone director of, 1226
Spittal, Lt.-Col. C. D., 1127
War loan bonds, 2774
War taxation, use of funds obtained from, 4147

DeWolfe, Fred. T., position of, 5703

Digby,
Government lands, 2321
Indian lands, 304

Dillon, Major G. A., appointment of, 1958, 4061

Distilleries. *See* Grain *and* Alcohol

Divorce, Committee to revise rules governing, 4192, 4291
See Gordon Divorce Bill

Dodge, L. B., payments to, 306

Doherty, Hon. C. J. (Minister of Justice)
Béland, Hon. Dr. H. S., M.P., 524
Capital punishment, abolition of
Proposed plebiscite, 1017
Spain case, the, 1021
Coalition government, 3023
Companies Act Amendment, Bills, 1155
Criminal Code amendments
Insurance, 1773, 2104, 4388
Jurors, 2567, 4293, 4307
Non-support, foster parents, bawdy houses, insolvent traders, constables' fees, 4291, 4463
Customs, Crown's goods, 1983, 2119
Davidson Commission report, 524
Exchequer Court expenses, 1811
Government Railways Act amendment, 4368
Interest Act Amendment Bill, 2569, 3401
Judges
Appointment of, 1807
Salaries. *See* Judges Act. Amendment Bill
Saskatchewan and Ontario, 1973
Yukon, 5896
Judges Act amendment, 2137, 5954, 6062
Justice Department, estimates, 1895, 5896, 6033
Kelly, Thomas, 1813, 4926, 5794
McLeod-Tellier Commission, 2357, 4291
Military service, 3016
Appeals and appeal tribunals, 3184, 3301
Authority of Parliament, 3031
Burden of proof, 3320
Classes, division into, 3353, 3359
Contraventions of Act, 3326, 3351
Enforcement, 3264
Exceptions and exemptions, 3303, 3307, 3568
Referendum proposals, 3028
Tribunals, 3153, 3168, 3296, 4193, 5881
Military Voters' Bill, 4406, 4688, 4742, 4792, 4874, 4889, 5956
Pelagic Sealing Treaty, claims under, 5977
Penitentiaries
Kelly, Thomas, treatment of, 1813, 4926, 5794
Officials' salaries, 6039
Prisoners, proposed enlistment of, 1013, 1814
Pensions, 6039
Post Office Department, estimates, 2352, 2360, 3634, 6051
Prices, contract fixing of, 1624
Provincial legislatures, powers of, 1808
Provincial prohibitory legislation, Bill in aid of, 4192, 4395, 5514
Woman suffrage, 1491

Doherty, Hon. C. J., payments to, 898

Dominion Canners Company, 1105, 1289

Dominion Day; fiftieth anniversary. *See* Confederation

Dominion Lands Act Amendment Bills
General (No. 107, Mr. Roche), 1r., 2832. 2r., 3793. Com., 3793
Patents (No. 12, Mr. McCraney), 1r., 159. Withdrawn, 1157

Dominion Lands and Parks
Animals in, 1359
Estimates, 1344, 4917
Forest reserves, 1349
Officials, 1675
See Parks

Dominions, overseas, constitutional relations of, 1528, 1531

Dominions Royal Commission, 599, 2338

Donaldson, Mr. Samuel J. (Prince Albert)
Army camps, sale of liquor in, 816

Dorchester county election, 92. 111, 120, 146, 173, 208, 255, 293

Dorchester County Railway, 5361

Dorchester, N.B.
Penitentiary. *See* Penitentiaries
Wharf, 3874

Douglas, Mr. James M. (Strathcona)
Apples, duty on, 1472, 1715
Army, forestry battalions, 3950
Dominion Lands Act amendment, 3805
Flour, price of, 5211
Gasolene, duty on, 1675
Grain
Elevators, 3705
Wheat, fixing of price of, 3705
Military Service Bill, 3051
Patriotic Fund allowances, 3952
Tariff revision, 1714
War-time Elections Bill, 5604

Douglas, Captain J. M., position of, 6066

Drake, steamship, duty on cargo of, 4245

Dredging. *See* Public Works

Dropped order. *See* Parliamentary Procedure

Drummond, T. J., steamer, 669, 4925, 4939

Dry Dock Subsidies Act Amendment Bill. Res., 4455. 1r., 5771. 2r., 5887. Com., 5915. 3r., 5918

Dubreuil, Mr., dismissal of, 3635

Dussault, Mr. Albert, employment of, 457

Dynamite outrages
Arrests in Montreal, 5423
Atholstan, Lord, 5423
Bigras, Gedéon, 5360

East Bay wharves, 5315

Eaton, Ernest, enlistment of, 3419

Economic and Development Commission, 1125, 2200, 5792

Edmonton, enlistments, 336. 3373

Edmonton, Dunvegan and British Columbia Railway, subsidy to, 4925

Edson, Alta., population of, 1816

Edward VII, monument to His late Majesty, 3897

Edwards, Mr. J. W. (Frontenac)
Address in reply to the Governor General's Speech, 204
The war, 204
Political patronage in purchase of war supplies, 205
Patriotic Fund separation allowances, 207
Military appointments, 207
Maritime Province elections, 207
The Dorchester compaign, 208
Recruiting in Quebec. 213, 221
Statements of the leader of the Opposition, 218, 220
Naval policy of Liberal party, 219
Extension of term of Parliament—votes for soldiers, 223
National ideals, 224
Bran and shorts, duty on, 1875
Budget, 1209
The record of the Liberal party, 1209
Canada's trade, 1211
Free wheat, 1212
Vessels for carrying flour, 1213
Free trade, 1214
Scarcity of food, 1216
Improvement of highways, 1217
The leader of the Opposition, 1219
Proposed general election, 1220
Cattle, British embargo on, 922
Censorship, 5943
Dorchester county election, 208
Experimental farms, 2055
Food, scarcity of, 712, 1216
Free wheat, 1212
Gordon Divorce Bill, 5500
High cost of living, 712, 1216
Highways, improvement of, 1217
Home defence recruiting officers, 3134
Horses, glandered, 2056
House of Commons stenographers, 5789
Immigration agents, 4914, 5361
Judges' salaries, 5799. *See, under this head,* Supreme Court
Lavergne, Mr. Armand, 2619
Mail clerks, French-speaking, 5272
Military districts Nos. 3 and 10, 455
Military service, 2715, 3221
National service cards, 667, 713

Edwards, Mr. J. W.—*Con.*
Parcel post service, 3634
Parliamentary secretaryships, 4211, 4214
Party records, 2373
Patriotic Fund, 207, 595, 3951
Penitentiaries
Portsmouth, 3418
Report of inspector of, 3419
Salaries of officials, 6033
Pensions, 6012
Post office signs—language in which written, 5999
Potatoes, 5987
Pugsley, Lieut. J. A., 4895
Quebec and military service, 2719-2728
Recruiting, 213, 221, 569
Rural mail routes, 1959
Shipbuilding, 1213, 1670
Soldiers
Pay and pensions of, 3216, 6012
Voting of, 223, 4807, 4895
Storage elevators, 2099
Supreme Court—allowance to Chief Justice, 6049
Taxation of wealth, 2728
Unclaimed bank balances, 1010
Votes for soldiers, 223, 4807
War-time Elections Bill. 5570, 5678, 5742, 5873

Eggs, imports and exports of, 1573

Elaine, steamer, 1379

Elevators. *See* Grain.

Ellis, Captain J. F., position and pay of, 6066

Elrose, Sask., mail service, 899.

Elliot, Mr. George A. (North Middlesex)
Soldiers, votes for, 1387

Emigration
Restrictions on Canadians of military age, 1726, 1775
United States, to, 987, 3285
See also Immigration

Esquimalt dock yards, 5915

Estevan, Canadian Government Steamship, purchase of provisions for, 4923

Estimates. *See titles of Departments and subjects*

Ethier, Mr. J. A. C. (Two Mountains)
Canadian Northern Railway, acquisition of, 5019, 5112
Food requirements, 2869
Military service, 2863
Labour, attitude of, 2871
St. Jerome post office, 899
War-time Elections Bill, 5826

Exchequer Court. *See* Supreme Court, etc., Bill

Exchequer Court Act Amendment Bill. 1r., 1422.

Excise. *See* Inland Revenue

Expeditionary force. *See* Army

Experimental farms. *See* Agriculture.

Faguy, Gaudiose. dismissal of, 2284

False Creek dredging, 900, 1126

Farm labour. *See* Labour

Farmers
Employment of soldiers by, 1677
Loans to. *See* Bank Act Amendment Bill
Western, relief for. *See* Grain

Farmers Bank
Depositors, proposed reimbursement of, 4508
Shareholders of, 301

Farming industry, development of, 1776, 1786. *See also* Agriculture

Fiddlers *See* "The Fiddlers"

Finance
Debt of Canada, 347
Department
Estimates, 578, 1790, 6289
Staff and salaries, 1796, 5289
Gold, handling of, 1796
Income and expenditure of Canada, 274, 718, 723, 745, 846
Interest. *See* Interest Act Amendment Bill
Loans
Dominion, $100,000,000
Cost of issue, 342, 435, 4957
Proceeds from, 4416, 4621. *See* Public Service Loan Bill
Farmers, to. *See* Bank Act Amendment Bills
Grand Trunk Pacific Railway, 5292
Quebec harbour. *See that title*

Fiset, Theophile, payments to, 1959

Fish and fisheries
Advisory Board, 2151
Bait, 2036
Bounties to fishermen, 457
Canneries
Licenses for operation of, 3399
See Meat and Canned Foods Act Amendment Bill *and* Fisheries Act Amendment Bill
Committee on supply of, 3400
Department
Appointments, 2149
Estimates, 2149
Development of industry, 2037
Dogfish, 2176
Exhibit at Toronto, 2033
Export of, 454
Herring, 2036

Fish and Fisheries—*Con.*
Inspection, 2035
Inspector Fisher, 2170
Investigation of problems, 5288
Laws, violation of, 2389
Licenses, 2051, 2182
Lobsters, 2049, 2117, 2154, 4171, 5425
Marketing, 2037, 2042
Ministry of, proposed, 2026
Officers, 2151, 2157, 2161
Oysters, 2174
Patrol service, 2183
Protection service, 4163, 4166, 4170
Salt for curing purposes, 1027, 1319, 1373, 2044, 2290, 3556
Sardine fisheries, 4168
Telephone method of fishing, 2176
Transportation, 2031, 2042, 3392, 3556, 4933
Trawlers, steam, 300
Whitefish, 2159

Fisheries Act Amendment Bill. Res, 2116. 1r., 2118. 2r., 2149. Ref, to Com., 2149. Com., 3399. 3r., 3400

Fisher, Mr. John H. (Brant)
Recruiting in Paris and Burford, 601
Soldiers, votes for, 1386

Flags on public buildings, 4146

Flavelle, Sir Joseph, letter from, 2956, 4010
See O'Connor *and* Food

Flax industry, 4683

Flour. *See* Grain

Food
Adulteration of, 2387
Bacon and lard, 3915, 5274
Beef, exports and imports of, 1574
Butter. *See* Agriculture
Cheese. *See* Agriculture
Control of, 108, 695, 1304, 1313, 1427, 1989, 2076, 2471, 2509, 2580, 3045, 3744
Australia, in, 963
Prices, 3918
Sugar, 1992
Controller
Appointment, 2433
Office and assistants, 3502, 4413, 4414, 4244
Powers of, 3943
See also Food Products
Eggs, exports and imports of, 1573
Fish, committee on supply of, 3400
Flour, 700, 1868, 5207
Prices and profits, 1039, 1088, 5085
Yukon, in, 2237
See also Grain.
Imports and exports of, 1573
Inspectors, 607

Food—*Con.*
Investigations of Mr O'Connor:
Report of, 3652, 3914; inquiry into, 3914, 3744, 4243
Maple sugar and syrup, 1958
Order in Council *re* sale of, 1273
Packages and containers of, 4065, 4070
Potatoes, 702, 2095. *See* Agriculture
Prices and supply of
Flour, 700
Sugar, 695
See, under this title, Control *and* Controller
Scarcity of, 1216
Sugar, 695, 1957
Supply of, arrangements with British Government, 2260
See also Meat and Canned Foods Act Amendment Bill; Grain; Inspection and Sale Act Amendment Bill

Forestry
Poplar, conservation of, 3742
Timber, protection of, 1349
White pine, blister rust, 4677

Fortier, Mr. Edmond (Lotbinière)
Burke, Col. Rev. A. E., 5704
Customs, private car for Minister of, 5082
McLeod-Tellier Commission, 3418
Military service, 3067
Public Works Department,—automobile purchase, 2480

Foster, Mr. A. De Witt, government employ of, 303

Foster, Rt. Hon. Sir George E. (Minister of Trade and Commerce)
Balfour, Rt. Hon. A. J., visit to Canada and to House of Commons, 613
Board of Grain Supervisors for Canada, 2236, 3692
Boards of Trade Act, 3657
Canada Temperance Act, 1263
Canada Year Book, 2337
Civil Service—employment of men in higher offices, 1260
Coal, supply of, 4064, 4788
Confederation, fiftieth anniversary of, 1865
Connaught, the late Duchess of, 609
Daylight saving, 2356, 2945, 3677
Dominions Royal Commission, 599, 2338
France, trade relations with, 597, 2309
Fuel controller, appointment of, 2235
Grain
Breweries and distilleries, for, 1185
Congestion in the West, 340
Elevators, 2334, 3707, 3710, 3689
Prices, fixing of, 3689, 4564
Hay, inspection and grading of, 3402
Industrial and scientific research, 5276
Joffre, General—visit to Canada, 613

Foster, Rt. Hon. Sir G. E.—*Con.*
Military service, 2404
Oil bounties, 2329
Packages, marking of,—inspection and sale, 4065
Parliament
Extension of term of, 3461
Sessions of, expenses of, 1262
Pay and Records Office, 1355
Pensions, 6007
Railway Act, 3717
Referendum on military service, 2410
Research Council Bill, 2357, 3905, 3957
Salt for fish curing, 2290
Scientific and industrial research, 3905, 3957
Secretary of State Department estimates, 3737
Shipbuilding, 1337, 5436
Soldiers, returned, care of, 1590
Steamship service, 2285, 2323
Submarine situation, 1335
Technical education, 1244
Trade and Commerce
Commissioners and agents, 2326
Department estimates, 1835, 2285, 2323, 3687, 5205, 5275
United States
Declaration of war by, 610
Tariff, changes in, 1264
Viviani, M., address to, 1366
War
Charities, 5489
Prosecution of, 1588
Supplies—munitions contracts, 5529
War-time Elections Bill, 5853
Wealth, conscription of, 3462
Zinc bounties, 2330

Foster parents
See Criminal Code Amendment Bills

Fotheringham, Surgeon General J. T., report of, 4059

France
Exhibitions project with Canada, 2260
Food supplies for, 2310
Railway material for, 310, 335, 1229, 1266, 1372, 1473, 1474, 1615, 1628, 1690, 1820, 3407, 3409, 5293
Trade relations with, 597, 2307, 2309
Visit of Prime Minister to, 1536

Franchise
See War-time Elections Bill; Military Voters' Bill; Woman suffrage

Frank, Alta., moving of residences at, 4919

Fraser river channel improvements, 1126

Free wheat *See* Grain

Freight rates *See* Transportation

French Army manœuvres, attendance of Canadian officers at, 5219

French-Canadians
Enlistment of. *See* Quebec *and* Army
United States, in, 4914

French language
Bills, printing of in, 5550, 5559
Government officials speaking, 2262, 2265, 2340, 2759, 5272

Fripp, Mr. Alfred E. (Ottawa)
Civil Service
Disfranchisement of Civil servants, 2018
Promotions, 2018
Salaries, 2247

Fuel
Coal
Confiscation of by railways, 194, 334, 584
Mining
Director of operations, 2609, 2776
Government control, 1996
Western, 119, 169, 195, 341, 458, 523, 614, 1267, 1372, 1616, 1723, 1725, 2183, 2200, 2238, 2570, 2609, 2653, 2776, 3617, 4009, 4621
Ottawa prices, 1320
Pennsylvania, from, 2199
Prices and supply, 83, 665, 2092, 2292, 4621, 4788
Regulations *re* sale of, 1275, 2317
Transportation of, 1919, 3395, 4791
United States situation, 4788
Control, 1275, 2317
Controller
Appointment of, 2235
Assistant to, 4152
Staff of, 4245, 5422
Utilization of resources, coal, peat, oil shales, etc., 1405-1422
See also Mines and Minerals

Fullerton, Major T. F., employment of, 4508

Galt, Mr. Justice, report of, 599, 602, 2322, 2357; inquiry into, *see* McLeod-Tellier Commission

Game. *See* Northwest Game Bill

Gascons wharf, 2055

Gasolene. *See* Taxation

Gaspe steamship services, 2299, 2318, 2325

Gauthier, Mr. Louis J. (St. Hyacinthe)
Canadian Northern Railway, acquisition of, 5003, 5182
Language reflecting on the Chair withdrawn, 2609
Military service, 2551
Referendum, 2555
War-time Elections Bill, 5824

Gauvreau, Mr. Charles A. (Temiscouata)
Bartlett, Major, 5422
Currie, Col. J. A., M.P., position and pay of, 595
Currie, General, despatch from, 4510

Gauvreau, Mr. C. A.—*Con.*
Exchequer Court cases, 335
Government railways
Intercolonial, pension fund, 1476
Promotion of employees, 768
Jenkins, Lieut.-Col. S. R., 5422
Leigh, Major, 5422
L'Espérance, Hon. D. O., 4511
Lighthouse keepers' salaries, 3134
Louisville post office, 899
Military service, 2746
Exceptions, 3566
Recruiting in Quebec, 2748
Patent medicines, 335, 985, 1470
Riou, Mr. C S., 3904
Riviere du Loup, ferry service, 452
Seed grain for eastern Canada, 1150
Steamship service, Quebec, 2318
Temiscouata mail contract, 335
Thompson, Dr. Alfred, M.P., 5083

Gazelle, Noel, enlistment of, 337

Geological surveys, 4179

Georgian Bay Canal Commission, 452, 989, 3900, 5913

German, Mr. William M. (Welland)
Army
Equipment, 559
Medical service, 559, 3989
Officers, alleged surplus of, 560, 564
Recruiting, 560, 2631
Soldiers, voting of, 4701, 4718, 4818, 4893-4914
Canadian Northern Railway, acquisition of, 4026, 4254, 4869, 4960, 5049, 5189
Civil servants, compulsory retirement of, alleged, 2059
Grand Trunk Pacific Railway Branch Lines Company, 1375
High Commissionership, 4177
Loans to farmers, 1961
Military Service, 2630
Racing meets, limitation of, 322
Railways,
Government policy in regard to, 2219, 2221
Senate, proposed change in constitution of, 1131
Situation, inquiry into, 3408, 3414
Submarine warfare, 334
Taxation of income, 4072
Trent canal, 3405
War supplies,
Boots, 4062
Equipment generally, 559
Munitions, 5525
War-time Elections Bill, 5755
Welland canal, 3402
Woman suffage, 1508

Gerrie, Mr. Charles, appointment of, 4245

Gibson, Lieutenant William, position of, 5422

Girard, Mr. Joseph (Chicoutimi and Saguenay)
High cost of living, 2829
Military service, 2825, 3189, 3353
Recruiting, 2827
Riviere du Loup steamship service, 2358

Glass, Mr. S. Francis (East Middlesex)
Budget, 1432
Canadian Northern Railway, acquisition of, 4039
Cheese, inspection of, 2268
Cold storage, 2080
Daylight saving, 3685
Grain Supervisors, 3699
Insurance, 4389
Lord's Day Observance Act, 936
Military service, 1676, 3145, 3224, 3230, 3277
Straw, utilization of, 4683
Taxation of business profits, 1646
Technical education, 1249
Unclaimed bank balances, 1010
War charities, 5484, 5491, 6064
War-time Elections Bill, 5602, 5686, 5740
Wheat, fixing of price of, 3696

Glen, Colonel Joseph, payments to, 1377

Goldman, Mr. I., employment of, 4510

Government Railways
See Canadian Government Railways

Government Railways Act Amendment Bill, 1r., 3845. 2r., 4339. Com., 4339, 4365, 4863. 3r., 4417
Amendment, proposed: Mr. Boulay, ruled out, 4382: Mr. Hughes, 4385; lost on div., 4387

Graham, Hon. George P. (South Renfrew)
Agriculture, development of, 2578
Aiken, Mr. G. O., 4151, 4508
Army
Camps, sale of liquor in, 835
Officers
Reversion to ranks of, 3997
Wives of, passports for, 3997
Soldiers, voting of, 4793-4834
Athletic associations, 5922
Bennett, Mr. R. B., M.P., reply to statement of, 804, 869
Breidert and Mudge patents, 1200
Canada Gazette, publication of, 3737
Canadian Northern Railway, acquisition of, 4022, 4217, 4277, 4282, 4388, 4471, 4591, 4622, 4845, 5041, 5158
Capital punishment, 627, 1022
Charitable enterprises, organization and control over, 378, 5485
Chicago drainage canal, 302

Graham, Hon. G. P.—*Con.*
Civil Service
Appointments, 693, 2017
Employment of men in higher offices, 1259
Promotions, 2017
Companies Act amendment, 5922
Customs disposal of unclaimed goods, 3743
Defence of Canada, 359
Fisheries protection service, 4170
Food control, 2580
Gordon Divorce Bill, 5501
Government Railways
Cars, purchase of, 758, 1376
Promotion of employees, 770
Government Railways Act amendments, 4344, 4367
See under this head, Intercolonial; Transcontinental
Grain elevator facilities, 4188
Grain for breweries and distilleries, 1183
Grand Trunk Pacific Railway, loan to, 5299
Indians, British Columbia, 2340
Intercolonial, transfor of, alleged arrangements for,—denial, 804, 869
Judges, appointment of, 1807
McNab, Colin C., 578
Military buildings, inspector of, 1039
Military service
Classes, 3276
Contraventions of Act, 3225, 3349, 3580
Conscription of wealth, 2576
Enforcement, 3268
Exceptions, 3270, 3564, 3591
Exemptions, 3212, 3276
Industrial requirements, 2579
Insurance of war risks, 3557
Persons liable for service, 3128
Policies of leader of the Opposition, 2572
Quebec's attitude, 2572
Recruiting, 2573
Referendum proposal, 2582
Tribunals, 3160
Mines, Minister of, proposed, 2007
National Serivce Board
Expenses, 3676
Officers, 376
Noxious weeds, 2068
Overseas Military Forces, Minister of, 4431
Packages, marking—inspection and sale, 4068
Parliament buildings, construction of, 4182
Parliament, extension of term of, 3458
Pensions, 6024
Post Office Department estimates, 2352
Prisoners in penitentiaries, release of for farm work, 803

Graham, Hon. G. P.—*Con.*
Proportional representation, 911
Public works expenditure, 5343
Quebec and Saguenay Railway bondholders, 669
Railway Act, the, 605, 3420-3453, 3522
Railways—material for use in France, 335, 1833
Recruiting, 375, 568, 2573
Ross rifle, 482
Royal Military College, 5310
Senate, appointments to, 928
Soldiers
Cessation of working pay, 457
Returned, appointment of to government positions, 1850, 1858, 6054
Voting of, 4793, 4834
Taxation
Income, 1631, 3771, 4073, 4104
Land, 1629
Wealth, 2576, 3461
Telegraphs and telephones, 3545
Telephone lines, government, 5364, 5382
Trade and Commerce Commissioners, 2327
Transcontinental railway operations, 1573
War charities, 378, 5485
War, prosecution of the, 2320
War-time Elections Bill, 5589, 5674, 5686, 5693, 5729-5771, 5856
Wheat, free, 642
Grain and grain products
Bran and middlings, 1867, 4468
Breweries and distilleries for, 1176
Commission, Chairman of, 3711
Congestion of in the West, 340
Diseases—rust, 2063
Elevators, 986, 2099, 2334
Claims of employees, 386
Facilities, 4189
Operation of, 3705
Flour, sales of between Canada and United States, 5273
Freight rates on, 2210
Grading of, 1265
Middlings, duty on, 1867
Rust, 2063
Seed
Eastern Canada for, 1150, 1188
Payment for advances, 1126
Purchase of, 4677, 4916, 4924
Supervisors. *See* Board of Grain Supervisors
Transportation of, 1682, 3396, 3412, 3712
Wheat
Commission, 1381
Exportation of prohibited, 3882
Free, 729, 747-756, 850, 864-884, 889
Prices, fixing of, 3688, 4687, 4887, 4926, 5206, 5218, 6000

Grain and Grain products—*Con.*
Surplus, purchases of, 1126
Telegram from Non-Partisan League, on, 4512, 4564, 4661
United States tariff on, 1342

Grande Prairie immigration hall, 1575, 1817

Grand Trunk Pacific Branch Lines Company Bills
1. Bill No. 33 (Mr. Currie) 1r., 585; withdrawn, 667
2. Bill No. 41 (Mr. Currie) 1r., 843; 2r., 896; com., 1375; 3r., 1445

Grand Trunk Pacific Railway
Financial statements respecting, 4058
Loan to, 5292
Removal of rails from, 5293
Report of Drayton-Acworth Commission, 4011

Gravel, Lieut. Gedéon, 1674

Gravelle, Mr. Oscar, position of, 1226

Great Britain, military service in, 2908
See Army Act

Great War Veterans Association, 1574

Green, Mr. Robert F. (Kootenay)
Railway Act, The, 3514, 3542, 3545
Telegraphs, provisions governing, 3542

Grenier, Mr. Armand, employment of, 3757

Grey, Ambrose, employment of, 1818

Grilse, H.M.C.S., 4563

Grosse Isle quarantine station, 5306

Guthrie, Mr. Hugh (South Wellington)
Bags and sacks, duty on, 1873
Bran and shorts, 1874
Canadian Northern Railway, acquisition of, 5035
Coalition government, 2463
Enlistment, voluntary, 2454
Gordon Divorce Bill, 5502, 5903
Grain for breweries and distilleries, 1179
Military service, 2452
Personal, attitude respecting, 3721
Tribunals, 3300
Soldiers
Returned, care of, 470
Voting of, 4410
Tariff revision, 1780
Taxation
Income, 1783, 2453
Wealth, 2453
War-time Elections Bill, 5598
Windsor immigration officer, 2357

Guysborough public building, 5914

Gwatkin, General, administration of military affairs by, 4419

Halifax
Dry docks, 5915
Railway terminals, 2214

Halifax & Eastern Railway, contractors, 304

Hansard. *See* House of Commons

Hants county apple inspectors, 1380

Harbours. *See* Public works

Hardy, Lieut. M. R., employment of, 4509

Harris, Capt. R. V., position of, 5422

Hay, inspection and grading of, 3402
See Inspection and Sale Act Amendment Bill

Hazen, Hon. J. D. (Minister of Marine and Fisheries)
Army
French front, visit to, 1563
Pensions, 1610
Wet canteens, 1561
British Admiralty, recruiting for, 4163
Coal, transportation of, 4791
Dry docks, 5887
Fish and fisheries
Advisory Board, 2151
Canneries, 2117, 3399
Department
Appointments, 2149
Estimates, 2149
Dogfish, 2176
Exhibit at Toronto, 2033
Herring, 2036
Inspection, 2035
Lobsters, packing of, 5426
Ministry of, proposed, 2030
Officers, 2163
Transportation, 2031
White fish, 2159
Fisher, Mr. Ward, appointment of, 2170
Fisheries Act Amendment Bill, 3399
Gwatkin, General, 4426
Imperial War Conference, 1556
Lake of the Woods water level, 4178
Live stock, shipments, inspection of, 1842
Marine Department, estimates, 1815, 1836, 1881, 1912
Meat and Canned Foods Act, 2114, 3400
Minto, steamer, food supplies for, 2175
Naval Service Department, estimates, 4157
Ocean Telegraph Act, 2024, 2108
Overseas Military Forces, Minister of, 4426
Public Works Department estimates, 5890
Pugsley, Mr, statement of, 5274
Quebec harbour advances, 435, 577
Royal Naval College, 4163
St John harbour, 4187, 5892
Shipbuilding, 1557, 1665, 1912, 4164

Hazen, Hon. J. D.—*Con.*
Universal Radio Syndicate, Limited, 2024, 2108
War-time Elections Bill, 5717
Heals station rifle range, 1573, 1675
Heatherton, N.S, mail contract, 1817
Henderson, Mr. Geo. F., K.C., position of, 4010, 4211, 4243
See O'Connor
High Commissioner, Canadian, Office of, 4177
High cost of living, 129, 961, 2076, 2055
Yukon, in, 2199
See also Customs Tariff Act; Food Products; Price; O'Connor.
Highways, improvement of, 1217
Hindu immigration, 2145
Hobbs, Mr. Hugh, 1228
Home Defence, 336, 1038, 2628, 3955
Officers, recruiting of, 3134
Homesteads
Patents, delay of, 3759
Regulations, 1741, 1746
Settlers' names, 1819
See also Dominion Lands Act Amendment Bill
Hopetown post office, 989, 1474
Horses. *See* Agriculture
Hospitals
Marine, 1953
Military
Canadian Hospital No. 8, 1674
Conditions in, 54, 59, 464
Construction of in Canada, 4045
European, 527
Hospital trains, 2205
Parliament Hill, on, 1228
See Military Hospital Commission, *and* Canadian Army Medical Service
House of Commons
Accountant's office, lease of premises, 5703
Business of the
Adjournments. *See also general title* Adjournment
Ascension Day, 1422
Dominion Day, 2620
Imperial War Conference, for, 117, 597
Victoria Day, 1628
See also general title Adjournment
Daily routine orders, 1423, 1524
Morning sittings, 2619, 2755, 2833
Private Bills, extension of time, 585
Saturday sittings, 344, 2569
Wednesday sittings, 324
Clerk of the House, retirement of Dr. Flint, 6043, 6069
Committees, select standing, 296, 1956
Reports of, 2054
Estimates, 2359, 5784, 6045
House of Commons—*Con.*
Hansard, cost of, 607
Members
Active service, on, 713
Deceased, tributes to, 3
New, introduction of, 7
Sessional indemnity of, 5790, 6043
Messengers, proposed increases in salaries to, 4684, 6053
Officials
Appointments, 586, 642, 843, 1956
Deputy Sergeant-at-arms, 3
Library, clerk in, 2832
Pages, chief of, 522
Reporting Branch, 522, 5636, 5702, 5786, 5949
Salary increases to, 4834
Secretaryship abolished, 5702
Translator, Chief, 522
Troop, Mr. Herbert D., 434
Returns, complaint of delay in bringing down, 1373
Sergeant-at-Arms, death of, 6069
Speaker, election of, 1
See Speaker
Speaker's quarters, 5784
Effects removed and returned, 2058
Stenographers, 5788
Vacancies, 1, 605, 2836
Howe, Lieut. M. J., position of, 6066
Hudson Bay Railway
Expenditure, 596, 900
Terminals, 2205
See Canadian Government Railways
Hughes, Mr. J. J. (Kings, P.E.I.)
Address in reply to the Governor General's Speech, 231
Naval affairs, 236
Purchase of war supplies, 232
Record of the present administration, 231
The Ross rifle, 235
Statements of ex-Minister of Militia, 234
Agricultural Instruction Act, payments under, 455
Bartlett, Major, 4292, 4416
Bruce report, publication of, 3845
Campbell, Capt. G. H., 4508
Canadian Northern Railway, acquisition of, 5044
De Wolf, Fred. T., 5703
Ex-Minister of Militia, correspondence relating to resignation of, 991
Fullerton, Major T. F., 4508
Government Railways Act amendment, 4352, 4385
Government railways, management and operation of, 783
Grain for breweries and distilleries, 1177

Hughes, Mr. J. J.—*Con.*
Hardy, Lieut. M. R., 4509
Intoxicating liquor, 4396, 4404
Carriage on government railways, 591
James Simmonds Co., 5122
Labourers from the United States, 1193
Machine guns, 452
Magdalen islands steamship service, 2302
McQueen, Lieut. W. A., 4508
Military District No. 6, 5237
Military service, 2971
Referendum, 2977
Moffatt, Lieut. R. J., 5361
Potatoes
Marketing of, 5989
Powdery scab, 2269
Prince Edward Island
Medical officers, 4563
Patriotism of men of the province, 2974
Railway, widening of, 3902, 3945
Steamship service, 660, 3954
Princess Louise Fusiliers officers, 5271
Quebec, recruiting in, 2972, 2977
Ross rifle, 235
Shipbuilding, 1335
Souris breakwater, 3871
Steamship services, 2326
United Mine Workmen of Nova Scotia, 802
War-time Elections Bill, 5664

Hughes, Sir Sam (Victoria, Ont.)
Address in reply to the Governor General's Speech, 253
Appreciation of British military assistance, 253
Personal attitude and policy, 254, 271
Col. Armand Lavergne, 256
Dorchester campaign, 255
Canadian troops in the South African war, 256
Troubles in administration of military affairs, 256
Status of Canadian forces, 259
Military equipment, 262
Appointment of General Steele, 264
Method of purchasing war supplies, 265
Disposition and command of Canadian forces, 268
Recruiting, 269
Canadian industries and the war, 270
Army
Badges of identification, 5953
Canteens, 808
Enlistment, voluntary, 2434-2449
Medical service, 537, 4199, 4466
Recruiting
Correspondence with Prime Minister, 3090
Officers in Quebec, 3135
Rejected men, 3099

Hughes, Hon. Sir Sam—*Con.*
Soldiers, voting of, 4898
60th Battalion, 525
Bruce, Dr., report of, 602
Canadian overseas forces
Despatch of to the front, 574
Disposition and command of, 268
Status of, 259
Canteens, open, 536
Currie, Mr. J. A., statement of, 5773
Hospitals, military—Bruce and Babtie commissions, 538
Irish, Mr. Mark, statements of, 2707
Lessard, General, 368
Maclean, Mr. A. K., statements of, 2777
Military equipment, 262
Military service, 3135
Authority of Canada, 2435
Classes, calling out by, 3137
Compulsion, advantages of, 2438
Correspondence with Prime Minister, 2434, 2446, 2449
Labour, requirements of, 2441
Recruiting, alleged retarding of, 2442
Officers
Reversion in rank—pay in such cases, 5423
Unemployed, 573
Overseas Military Forces, Minister of, 4198, 4207, 4419, 4422, 4444
Administrative staff, 4956, 4959
Pay and Records Office, 3106
Recruiting, 269, 366, 379
Correspondence with Prime Minister, 2446
Lessening of, reasons for, 2442
Resignation of, 602
Ross rifle, 416, 480-493, 2451
Steele, General, appointment of, 264
Von Donop, Stanley, 523
War supplies, method of purchasing, 265

Hughes, Brig.-Gen. W. S., position of, 5361

Hyde, Mr. J. W., position of, 301

Hydrographic surveys, 4173

Immigration
Agents, 1737, 1754
Clergymen and priests employed as, 5361
Montreal, 5122
Quebec, 5122
United States, in, 4914, 5361
Chinese. *See* Chinese Immigration Act Amendment Bill
Department, estimates, staff and salaries, 4914
Deportation and rejection, 803
Figures, 803
Forms, printing of in French, 899, 3133, 3134

Immigration—*Con.*
French-Canadians in the United States, 4914
Hindu, 1763
Inspection, 803
Military service, exemption of immigrants from, 1572
Officers
Salaries, 2245
Windsor, at, 2357
Quarantine stations, 5306, 5312
Regulations, 372, 525
Regulations, Chinese immigration, 447
Rejection of undesirables at N. B. ports, 454
Rimouski, immigrants landed at, 4151
United States, from, 1739, 1747
See also Emigration

Imperial Munitions Board
Clerks, 305
Construction of ships by, 1661, 1663, 1913
Imports, 1978
Labour, 1985
Employees, 5271

Imperial preference, 1532, 1584

Imperial War Cabinet and Imperial War Conference
Adjournment of Parliament, 117, 596, 603
Announcement of meeting, 42
Attendance of Canadian Prime Minister, 597, 603, 1525
Correspondence with Colonial Secretary, 5, 24
Minutes of, extracts from, 2354
Proceedings of, 1525
Cattle embargo, 1535
Dominions overseas, constitutional relations of, 1528, 1531
Development and control of natural resources, 1532
Imperial preference, 1532
India, representation of, soldiers' graves, 1534
References to, 15, 24, 42, 148, 294
Statements by British Prime Minister, 2354
Statement by Mr. Hazen, 1556

Imperial War Graves Commission, 1534

Income War Tax Bill. Res., 3765. 1r., 3793. 2r., 4070. Com., 4070, 4102, 4124. 3r., 4638. Senate amdts., 5475; no precedent, 5476, 5883; amendment proposed: Mr. Pardee, 4639; ruled out, 4648

India, representation of,—Imperial War Conference, 1534

Indians
Agents, Bear River, 1569
Department of Indian Affairs, estimates, 1891, 2340, 2346
Lands of, 1887, 2348, 2389
Cutting timber on, 1889, 1901
Surveys of, 1894
Valuation and protection of, 1887
See also, under this head, Provinces *and* Reserves
Provinces, in
British Columbia, 653, 1896, 2340
New Brunswick, 1889
Northwest Provinces and Territories, 1894
Nova Scotia, 1887, 2349
Ontario, 1886
Quebec, 1886
Reserves, 989
Blackfoot, 2389
Caughnawaga, 1735
Digby, 304
Edmunston, 4920
Kitsilano, 1129, 1899
Okanagan, 1378, 2341
Sydney, 3663
Royal Commission, British Columbia, 653, 1038, 1896

Industrial and Scientific Research Bureau
Advisory council, 5279
Expenses, 5276
See also Research Council Bill *and* Technical education

Industrial Disputes Investigation Act. *See* Labour

Industrial requirements *See* Labour

Inland Revenue
Department
Appointments in 1916, 758
Employees at Montreal, 758
Estimates, 2360, 3817
Expenditure, 2380
Preventive, officers, 3837, 3847
Staff and salaries, 2360, 3380

Insolvent Traders. *See* Criminal Code Amendment Bills

Inspection and Sale Act Amendment Bill. Res., 4065. 1r., 4070. Withdrawn, 5887

Insurance
Civil Service, 3503
Premiums of men in military service, 3557
See also Criminal Code Amendment Bills

Insurance Act of 1910 Reenactment Bill. 1r., 1724. 2r., 2100. Ref. to Com., 2104. Com., 3848, 4138, 5196. 3r., 5205. Sen. amdts., 5956

Insurance Act Amendment Bills
Mr. W. H. Bennett
Bill No 45; 1r., 1037; withdrawn, 1157
Bill No. 50; 1r., 1568

Intercolonial Railway. *See* Canadian Government Railways

Interest Act Amendment Bill. 1r., 2569. 2r., 3401. Com., 3401. 3r., 3402

Interest on judgments, 900

Interior Department
Appointments to under section 21, 1351
Calgary offices, 668
Estimates, 652, 1344, 1735, 4916
Expenditure, 1344
French-speaking employees of, 2340
Orders in Council relating to, 6000
Political activity of employees, 2349

Internal Economy Commission, 45

International Fisheries Commission, 892

International surveys, 1735

Interprovincial bridges, 3888

Intoxicating liquors
Army camps, in *See* Army
Manufacture and sale of, 454
Prohibition of, 2008
See also "The Fiddlers" *and* Canada Temperance Act
Prosecutions for sale of, 1575
Sale of, 3818
See also Provincial Prohibitory Legislation

Inverness harbour improvements, 5325

Irish-Canadian Rangers. *See* Army

Jack, Mr. E. Bryden, position of, 4508

Jaffray, Mr. J. P., position of, 4062

Jails. *See* Penitentiaries

Jameson, Mr. Clarence (Digby)
Fisheries, proposed ministry of, 2026
Military Service Bill, 2969
Soldier Settlement Board, 3784
Technical education, 1243

James Simmonds Co., The, purchase of goods from, 5122

Jamesville breakwater, 5328

Jenkins, Lieut.-Col. S. R., duties and pay of, 5422

Joffre, General, 613

Judges Act Amendment Bill. Res., 1973. 1r., 1978. 2r., Com., 2136. 3r., 2137. Sen. amdt., 5954, 6062

Judgments, interest on, 900
See Interest Act Amendment Bill

Justice
Administration of, 1805
Baugh, Edward Levi, case of, 1814

Justice—*Con.*
Department, estimates, 1805, 5097. 5794, 5896, 6033, 6049
Exchequer Court
Cases, 335
Expenses, 1811
Publications, 5804
Judges
Appointment of, 1806
Provincial commissions, on, 593
Salaries, 1973, 5798, 5954
Saskatchewan and Ontario, 1973
Yukon, 5896
Minister of, payments to, 898, 1225
Provincial legislatures, powers of, 1807, 1811
Supreme Court, Chief Justice of, special allowance to, 6049

Kay, Mr. William F. (Missisquoi)
Ballots for overseas forces, 452
Food Controller's office,employees, 3502
Foster, Mr. A. De Witt, 303
Fuel Controller, staff of, 4245
Oleomargarine, prohibition of, 304
Parliament buildings, marble for, 2833
War profits and income tax—cost of collection, 4686

Kelly, Thomas, treatment of in penitentiary, and release of, 896, 4926, 5273, 5794

Kemp, Sir Edward (Minister of Militia and Defence)
Army
Camps, sale of liquor in, 815
Discharges, 3096
Enlistments
Total, 3098
Voluntary, 3381
Forestry battalions, 3950
Medical service, 3967
Officers
Pay of, 1628
Retention of on leave, 5902
Salutes to, 5425
Surplus, 3103
Pay and Records office staff, 3104
Rejected men, 3099
Soldiers
Behaviour of, 5235
Personal requests concerning, 4203
Separation allowances, 4203
Civil servants, enlisted, pay and separation allowances to, 663
Expeditionary Force, disposition of, 2356
Home defence campaign, 2628
Irish-Canadian Rangers, 195
Lens, valour of Canadian soldiers at, 5195
Military service, 2620, 3239
Classes, 3357
Discharges from army, 3096
Exceptions, 3270

Kemp, Sir Ed.—*Con.*
Exemptions, 2624
Home defence, 2628
Quebec, recruiting in, 2626
Referendum, 2623
Voluntary enlistment, 2624
Militia and Defence Department, estimates, 3949, 3967, 3980, 4044, 5218
Officers, alleged surplus of, 562
Pensions
Canadians in Imperial forces, to, 4688
Prisoners of war, 666
Money orders and parcels for, 714
Recruiting, 562
British subjects in the United States, 2482
Quebec, in, 2626
War affairs, Government, administration of, 3381
War Purchasing Commission, purchases by, 341
156th Battalion, 523

Kentville armoury
Caretaker, 4509
Militia stores, 4510

Knight, Mr. N. H. R., position of, 4952

Knowles, Mr. William E. (Moosejaw)
Army
Officers' wives, passports for, 3996
Soldiers, votes for, 4690, 4806, 4877
Budget, 887
Free wheat, 889
Canada Grain Act, proposed amendment, 2954
Canadian Government railways
Private cars, 4938
Intercolonial, appointment of officials, 659
Canadian Northern railway, acquisition of, 4637, 5022
Civil Service salaries, 2946
Coal, shortage of, 2294
Western supply of, 4621
Coalition government, 2901
Daylight saving, 3686
Farming industry, development of, 1787
Flax industry, 4683
Flour prices, 5214
Food control, 2002
Free wheat, 889
Gordon Divorce Bill, 5498
Immigration
Chinese and Hindu, 2141
United States, from, 1742
Indians, British Columbia Commission, 653
Industrial and scientific research, 5277
Inland Revenue Department estimates, 2371-2381

Knowles, Mr. W. E.—*Con.*
Intercolonial railway, appointment of officials, 659
Interior Department employees, political activities of, 2350
Legislators, free transportation for, 4935
Military service, 2895
Date of second reading of Bill, 2322
Referendum, 2900
Senate amendments, 4665
Mining industry, 657
Moosejaw, enlistments at, 5122
Moosejaw News, patronage, 2708
Mounted Police, Royal Northwest, 4670
Postal clerks, salaries, 2708
Prices, contract fixing of, 385, 1617
Public works expenditure, 5333
Racing meets, limitation of, 324
Renault, Raoul, appointment of, 2371
Seed grain, 4678
Collections, 2351
Shipbuilding, British Columbia, 4940
Tariff revision, 1785
Taxation, income, 4075, 4105
Toronto, Hamilton and Buffalo railway, 2614
Toronto Telegram, statement of, 5085
Trade and Commerce Department, estimates, 2338
War charities, 5493
War-time Elections Bill, 5637, 5658, 5721, 5810, 5818, 6083

Kyte, Mr. George W. (Richmond)
Address in reply to the Governor General's Speech, 195
Appointment of Senators for Nova Scotia, 196
The high cost of living—war profits, 197
National Service Commission, 200
Resignation of ex-Minister of Militia, 201
Canadian Army Medical Service, 201
Separation allowances, 203
Political patronage in military affairs, 203
Army
Medical service, 201
Soldiers' assigned pay, 3224
Bear River post office site, 1378, 1569
Budget, 956
Free wheat, 956
Business profits, 959
High cost of living, 961
Control of foodstuffs in Australia, 963
Taxation of business profits, 965
Canadian Northern Railway, acquisition of, 4041, 5010, 5165
Censors at Louisburg, 4008, 4048
Civil Serice appointments, 647

Kyte, Mr. G. W.—*Con.*
Coal, 1998
Shortage of, 1919
Cost of living, O'Connor Commission report, 700, 961, 3914, 4010
Flour, 1039
Food control, 961, 988
Customs Department officials, 5101
Dawson post office, 4952
Dredge Cape Breton, loss of, 596, 1024, 3331
East Bay wharves, 5315
False Creek dredging, 900, 1126
Fish and fisheries, 2050
Advisory Board, 2152
Dogfish, 2179
Officers, 2157, 2161
Flags on public buildings, 4146
Flint, Dr., retirement of, 6044
Flour, price of, 1039
Food control, 1998
Fraser river channel improvements, 1126
Gordon Divorce Bill, 5904
Heals station rifle range, 1573
Imperial Munitions Board Labour, 1985
Inland Revenue Department officials, 2377
Intercolonial railway — improvement of grades, 456
Judges' salaries, 1974
Leblanc, Dr. B. A., 2283, 4416
Lewis machine guns, 590
Louisburg
Censors, 4008
Pilot Commissioners, 3677
Wireless station, 5122
Macdonald, Dr. J A., 2283
Mail contracts, 3636, 3639
Maritime Provinces military affairs, 5228
Military District No. 6, 5228
Military Hospitals Commission, 4243
Military service
Exemptions, 5271
Tribunals, 3158
Militia Department estimates, 5221
National Service Commission, 200
Naval Service officers at Halifax, 6000
Neilly, Dr., position of, 2707
Nova Scotia public works, 5315, 5324
O'Connor report, 4010
Ogilvie Flour Mills Company, Limited, 1818, 2389, 3677
Ottawa Journal-Press—correction of statement, 3759
Pacific Dredging Company, 1126
Parliamentary secretaryships, 4211
Pensions, 6018
Point Tupper mail service, 3502
Pommery, Mr. Samuel, 4952
Port Malcolm wharf, 3866

Kyte, Mr. G. W.—*Con.*
Proportional representation, 915
Rainbow, H.M.C.S., sinking of vessels by, 457
Recruiting, 2482
Returned soldiers, appointment of to government positions, 6055
Richmond county medical officers, 3758
Ross rifle factory, taking over of by the Government, 663
Salt, shortage of, 3556
Shipbuilding, 5434
Steamship services, 2325
Sydney industrial sites, 3956
Taxation
Business profits, 965
Income, 4115, 5291
Telegraph and telephone lines, 5336
Turner, Mr. Harvey, 1469
Urquhart, Mr. Hector, 5367
Vancouver drill hall site, 456
War supplies
Munitions contracts, 5526
Purchase of, 4053
Waterford explosion, 5775
Women munitions workers, 4063
Yukon
Administrator, 5122
Commissioner, 3677

Labour
Attitude of on military service, 2426, 2488, 2451, 2604, 2663, 2795, 2871, 2958, 3725, 3732
Australian labour troubles, 698
Bureaus, 118
Chinese labourers, 2139
Conditions on munition work, 2492
Department administration, 1269
Assistant Deputy Minister, abolition of office of, 686
Estimates, 686, 1112, 1166, 1989, 3652
Staff and salaries, 686
See also Mines and Minerals, Coal
Fair wages and inspection officers, 3652
Farm labourers from the United States, 665, 1193, 1740, 1747, 3504, 4512
Government elevators, claims by employees, 386
Imperial Munitions Board, 1985
Industrial Disputes Investigation Act, 1112, 1166, 1270
Military service, attitude to
See under this head Attitude
Strikes. *See* Coal *and* Thetford
Brantford moulders, 2322
Sorel strike, 1912, 1935
Yukon miners, 3086
Thetford mines. *See that title*

Labour—*Con.*
United Mines Workmen of Nova Scotia, 802
Women munitions workers, 4063

Lacasse, Mr. Isidore, employment of, 5272

Lachance, Mr. Arthur (Quebec Centre)
Canadian Northern Railway, acquisition of, 5080, 5192
Faguy, Gaudiose, 2284
High cost of living, 2922
Military Service Bill, 2919
St. Charles river dam, 2525

Lafortune, Mr. David. A. (Montcalm)
Canadian Northern Railway, acquisition of, 5072, 5187
Capital punishment, 632
Coalition government, 3014
Criminal Code amendment, jurors, 4335
Military service, 3004
Referendum, 3013
Montreal, postmaster, 582
Ottawa Journal-Press, statement in, 3085
War supplies, munitions contracts, 5541

Lake of the Woods water level, 2775, 4178

Lalor, Mr. Francis R. (Haldimand)
Budget, 1096
Comparision of Conservative and Liberal administrations, 1097
Revenue and expenditure, 1098
Our part in the war, 1098
Fiscal policies, 1101
Reciprocity, 1103
Dominion Canners Company, 1105
Civil Service salaries, 2245
Coal, 2097
War-time Elections Bill, 5876

Lanctot, Mr. Roch (Laprairie-Napierville)
Arthurs, Lieut.-Col. James, 5914
Belford, Capt. J. F., 5703
Bernard, Lieut.-Col. E. S., 5703
Breadner, Mr. R. W., 3676
Budget, 1221
The farming situation, 1221
Free wheat, 1221
Embargo on hay, 1222
Canada's prosperity, 1223
The Nationalist party, 1224
Payments to Minister of Justice, 1225
Business Profits War Tax, 3676
Canadian Bank of Commerce, 4686
Canadian Northern Railway acquisition of, 5065
Caron, Mr. Hector, 4151
Davidson, Sir Charles, payments to, 898
Dean, Lieut. R. I., 5703
Doherty, Hon. C. J., payments to, 898, 1225
Food Controller, staff of, 4413

Lanctot, Mr. R.—*Con.*
Fuel Controller, assistant to, 4152
Hay, embargo on, 1222
Ice breakers, 1818
Imperial Munitions Board employees, 5271
Intercolonial railway, damage claims, 2707
Judges' salaries, 5801
Laporte, Mr. Hormidas, 4510
Military Service, 2962
National Service Commission employees, 4787
National Trust Company, directors of, 4685, 4417
Plaxton, Mr. C. P., 4416
Postmaster General, recruiting by, 4415
Rimouski
Immigrants, landing of, at, 4151
Medical officers, 4509
Public works employees, 4244
War measures, 525
War Veterans Association, 1574
Wealth, conscription of, 2965

Landry, Mr. Justice, findings of, 3109, 3609, 4512, 5248

Lapointe, Mr. E. (Kamouraska)
Civil Service employment of men in higher offices, 1260
Dussault, Albert, employment of, 457
Exchequer Court Act Amendment Bill, 1422
Inland Revenue Department estimates and officials, 361, 2364, 3825
Military service
Contraventions of Act, 3341
Exemptions, 3304, 6002
Voluntary enlistment, 2514
Referendum proposals, 2521
Provisions of the Militia Act, 2519
Quebec's position, 2515
Murray Bay railway service, 617
Quebec, available men for military service in, 3255
Riviere Ouelle-Murray Bay steamship service, 643
St. Roche Traverse light-keeper, 1378
War-time Elections Bill, 5807
Women in the Civil Service, 1260

Lapointe, Mr. Louis A. (Montreal, St. James)
Alcoholic liquors, revenue from sale and manufacture of, 304
Army—Soldiers, voting of, 4725
Bank Act amendment, 1037
Canadian Northern Railway acquisition of, 5036
Grain, fixing of price of, 3704
Hansard, cost of, 607
Military Service, 2770
Exemptions, 2773, 3226, 3308

Lapointe, Mr. Louis A.—*Con.*
Quebec's contribution of men, 3256
Recruiting, 2772
Quebec electoral lists, 6002
Senate Hansard, cost of, 1571
War-time Elections Bill, 5621, 5639, 5722, 5741, 5759, 5865

Laporte, Mr. Hormidas, payments to, 4510

Latchford, Ont., plant and buildings, sale of, 5706

Laurentian, steamer, 4563

Laurier, Rt. Hon. Sir Wilfrid (Quebec, East)
Address in reply to, the Governor General's Speech, 17
Canada's Governor General, 17
The war situation, 18
German peace proposals, 19
Our soldiers at the front, 20
Laxity of present administration, 20
Control of our military forces, 20
Equipment of Canadian troops, 23
The fiftieth Anniversary of Confederation, 24
Imperial War Conference, 24
Amqui-St. Leonard mail contract, 3903
Army
Camps, sale of liquor in, 813
Control of, by Canada, 20
Discharges, 3111
Equipment, 23
Recruiting
Quebec, in, 2395
Retarding of, 3094
Rejected men, 3101
Soldiers, voting of, 2403, 3727
Army Act, regulations, 3111
Balfour, Rt. Hon. A. J., address to, 1772
Canadian Northern Railway acquisition of, 4216, 4625, 4635, 5128
Capital punishment, 622
Coalition government, 3727
Correspondence with Sir Robert Borden, 2690
Confederation, fiftieth anniversary of, 24
Connaught, the late Duchess of, 610
Daylight saving, 3681
Defence of Canada, 358
Fisheries protection service, 4166
Galt, Mr. Justice
Report of, 2057
Rogers, Hon. Robert, criticism of, by, 599
Government Railways Act amendment, 4384
Grand Trunk Pacific Railway Branch Lines Company, 1375

Laurier, Rt. Hon. Sir W.—*Con.*
House of Commons
Business of the House, 1524
Morning sittings, 2619, 2775
Saturday sittings, 325, 2569
Wednesday sittings, 325
Clerk of the House, retirement of, 6070
Officials, appointments of, 586
Rights of House in dealing with taxation, 5479
Speaker's quarters, 5784
Imperial War Conference, 24
Adjournment of Parliament, 118
Visit of Prime Minister to, 1542
Insurance, 3848
Intoxicating liquor, 4397
Landry, Mr. Justice, report of, 4152, 5250
Mace, vote of thanks to donors of, 1469
McLeod-Tellier Commission, 2357, 5245
Members, deceased, tributes to, 4
Migratory birds, 3657
Military Service, 3111, 3254
Appeals, 3177
Board of Selection, 5084
Burden of Proof, 3319
Classes, 3132, 3140
Conscription, need of, considered, 2396
Contraventions of Act, 3324, 3337
Exceptions, 3559
Exemptions, 3207, 3362
Labour, attitude of, 3725
Men, available, 3724
Parliament, power of, 2392, 3723
Persons liable for service, 3116
Quebec enlistments, 2398
Referendum, 2403, 3721, 3728
Senate amendments, 4663
Tribunals, 3149, 3165, 3296, 3575, 5880
Votes for soldiers, 3727
Mounted Police, Royal Northwest, 4668
National Service Commission, 309
Newsprint paper, 757
Overseas Military Forces, Minister of, 4195
Parliament
Extension of term of, 2396, 3420, 3484
Printing of, 5950, 5952
Parliamentary secretaryships, 4195, 4206
Pelagic Sealing Treaty, claims under, 5972
Point of order—Hon. Robert Rogers' reference to Mr. Justice Galt, 599
Prisoners, proposed enlistment of, 1014
Quebec and Saguenay Railway purchase and completion of, 303
Quebec harbour advances, 435
Railway Act, the, 606
Railway material, removal of to France, 310, 1372
Rogers, Hon. Robert, resignation of, 4739

Laurier, Rt. Hon. Sir W.—*Con.*
Ross rifle, 477, 3487
Scientific and industrial research, 3911
Senate, proposel change in constitution of, 1148
Right of to amend taxation bills denied, 5479
Soldier Settlement Board, 1163
Soldiers, votes for, 2403, 3727
Speaker, election of, 2
Taxation
Business profits, 1637
Income, 4084, 4114, 4122, 4132
Senate's right to amend taxation bills denied, 5479
Transcontinental railways, removal of rails to France, 1229, 1266
United States, declaration of war by, 612
Viviani, M., address to, 1367
War
Expenditure, 476
Supplies, munitions contracts, 5518
Votes ($500,000,000), 585
War-time Elections Bill, 5421, 5572, 5637, 5652, 5706, 5805, 5849
Woman suffrage, 1499

Laval, steamer, 1470

Lavergne, Col. Armand, 256, 1038, 2619

Leblanc, Dr. B. A., employment of, 2283, 4416

Le Blanc, Maurice, position and salary of, 1816

Lefebvre, Major Alfred, position and pay of, 1037, 2618, 3003

Legislatures, members of provincial, free transportation. *See* Railway Act Amendment Bills

Leigh, Major, position of, 5422

L'Espérance, Hon. D. O., appointment of to Senate, 4511

Lemieux, Hon. Rodolphe (Rouville)
Abbotsford postmaster, 608
Address in reply to the Governor General's Speech, 136
National government, 136
The Opposition's duty, 137
Ross rifle, 137
True loyalty, 139
Attitude of the leader of the Opposition, 140
Great Britain's attitude in the war, 141
Quebec's view of the war, 141
What England and France are accomplishing, 142
Nationalism in Quebec, 143
The Dorchester election, 146
Recruiting in Quebec, 147

Lemieux, Hon. R.—*Con.*
The Imperial War Conference, 148
The fiftieth anniversary of Confederation, 150
Alcohol, distilling of, 3743
Angers, Captain, dismissal of, 758
Anglo-French delegates, visit of to Canada, 669
Army
Camps, sale of liquor in, 806, 840, 1226
Demobilization, plans for, 3118
Enlistment, 2463-2478
Recruiting in Quebec, 363, 3136
Recruits, urban and rural, 3135
Assistant Deputy Minister of Labour, suspension of, 690
Bell, steamer, 1377
Brindle, Mr. William, 3758
Canadian Northern Railway, acquisition of, 4043, 4217, 4278, 4554, 4600-4619, 5046 5184
Cattle, British embargo on, 987
Civil Service insurance, 3503
Civil Service salaries, 583, 1804, 2241
Enlisted men, pay of, 2254
Coal
Confiscation of by railways, 584
Ottawa prices of, 1320
Cold storage, 2076
Courcelette, steamer, 1377
Criminal Code amendments, 4464
Jurors, 4306
Customs
Duties payable on Crown's goods, 2127
Silks, valuation of for customs, 1574
Customs and immigration forms, 3133, 3134
"Defeat or Victory," 1473
Dorchester county election, 146
Dynamite outrages in Montreal, 5423
Elevator men, pay of, 2946
Exhibitions, 2260
Farmers' Bank, shareholders of, 301
Fish, transportation of, 3556
Foodstuffs, control of, 2471
France, promotion of trade with, 597, 2307
French-Canadians in the United States, 4914
French-speaking employees, Department of Agriculture, 2264
Gaspe steamship service, 2299
Gerrie, Mr. Charles, 4245
High cost of living, 2055, 2077
Hudson Bay railway, 5090
Immigration
Agents, 1760
Department, printing of forms in French, 899

Lemieux, Hon. R.—*Con.*
Hindus, of, 1763, 2144
Japanese, of, 2144
Indians—Caughnawaga hospital, 1886
Inland Revenue Department
Estimates, 3831
Officials, 3817
Montreal, at, 758
Insurance of war risks, 3557, 3589
Intercolonial railway, cars, shortage of, 1378
Intoxicating liquor
Prohibition of, 4401
Sale of, 3819
Jack, Mr. E. Bryden, 4508
Kelly, Thomas, 4926, 5794
Labour bureaus, 118
Laval, steamer, 1470
Lessard, General, 363, 2055
Levis railway, station, 2208
Magdalen Islands
Cable service, 5408
Steamship service, 2303
Mail matter, registration of, 668
Matane Harbour light, 1575
McWilliams, Mr., dismissal of, 2167
Military service
Burden of proof, 3318
Contraventions of Act, 3329
Enlistment — Canada compared with United States and France, 2463
Exceptions, 3560
Exemptions, 3131
Insurance of soldiers, 3557, 3589
Militia Act, provisions of, 2465
Persons liable to serve, 3117
Pledges of government, 2467
Quebec's position, 2473, 3137
Referendum, 2478
Regulations, 3316
Tribunals, 3158
Mining industry, development of, 4181
Mitchell, Private J. F., death of, 1377
Montreal postmaster, 523, 581
O'Connor, Mr. W. F., report of, 3746
Overseas Military Forces, Minister of, 4202, 4420, 4442
Parcel post, 2075
Parliamentary secretaryships, 4202, 4207, 4212, 4420
Parliamentary sessions, expense of, 1262
Quebec harbour advances, 577
Improvements, 3879
Quebec, Montmorency and Charlevoix; Quebec and Saguenay, and Lotbiniere and Megantic Railways, 4848, 5454
Railway Act, The, 3514, 3716
Railway company, advance to, 2100
Lemieux, Hon. R.—*Con.*
Ross rifle, the, 137
Rouville county mail carrier, 608
Ste. Anne bridge, 3888
Sainte Luce, changing of name, 673
St. Malo railway buildings, 1128
Soldiers, postage on parcels for, 1263
Soldier Settlement Board, 1165
Steamship service, France, 2307
Sulphur, embargo on, 4889
Taxation
Income, 3776, 4071, 4086
Wealth, 2469
Technical education, 1229, 1252
Telegraph service, 2108, 2113
Thompson, Mr., employment of, 4008
Vaudreuil bridge, 3888
Victoria bridge toll rates, 672
War, prisoners of, 4194
War-time Elections Bill, 5550, 5633, 5641
Washington Conference, Canadian delegates to, 1127
West Indies, promotion of trade with, 2289
Wharves, 1944
Lens, valour of Canadian soldiers at, 5195
Lessard, General, position and services of, 363, 365, 368, 2055
Levis railway station, 1129, 2208
Lewis, Mr. J. H., position of, 2944
Life insurance. *See* Insurance
Life saving. *See* Naval Service
Liquor. *See* Intoxicating liquors
Little Bras d'Or dredging, 3886
Live Stock. *See* Agriculture
Live Stock and Produce Bill. Res., 4287. 1r., 4292. Ref. to Com., 4417. Com., 5503. 3r., 5514
Loans
Farmers, to. *See* Bank Act Amendment Bills
Public. *See* Finance
Lockhart, Mr. Hugh, employment of, 1265
Lockport Cold Storage Company, 2202
Loggie, Mr. William S. (Northumberland, N.B.)
Budget, 1280
Reply to Mr. Crothers, 1280
Canada's contributions to the war, 1282
Taxation proposals, 1282
Freer trade policies, 1283, 1287
Free wheat, 1286
The Dominion Canners Company, 1289
Reply to Mr. Edward's criticism of Sir Wilfrid Laurier, 1290
Coalition Government, 2988

Loggie, Mr. W. S.—*Con.*
Dominion Canners Company, 1289
Fish and fisheries
Development of industry, 2047
Lobsters, 2049, 2155, 5426
Free wheat, 1286
Government railways, branch lines, 2223
Military Service, 2984
Referendum, 2986
Recruiting, 380
Shipbuilding, 1929
Soldiers, voting of, 4778
Steamship service, 2311
Taxation
Business profits, 1645
Income, 4069

Lord's Day Observance Act
Suggested suspension of, 936

Lotbiniere and Megantic Railway
Completion and operation of, 4948, 5452

Louisburg
Pilot Commissioners, 3677
Wireless station at, 5122

Louisville post office, 899

Lovett, James, dismissal of, 453, 759

Loyal Orange Order, 85, 91

Macdonald, Mr. E. M. (Pictou)
Address in reply to the Governor General's Speech, 47
The fiftieth anniversary of Confederation, 47
Imperial War Conference, 47
The War, 48
The present Government and the war, 49
Extension of term of Parliament, 50
Canada's participation in wars of the Empire, 51
Recruiting, 51
Political patronage, 52, 55
Conscription, 54
Conditions in military hospitals, 54, 59
Administration of military affairs, 54
Government expenditures, 60
The winning of the war, 61
Aeroplane service, 805, 844
Army
Allowances, separation, 336, 383, 387, 4006
Camps and canteens, 535, 820, 1266
Canteen system in England, 718
Conscription, 54, 893
Criticism of military affairs, duty of the Opposition, 571
Enlistment of Canadians in the United States, 3758
Hospital No. 8, 1674
Irish-Canadian Rangers, 195, 458

Macdonald, Mr. E. M.—*Con.*
Medical service, 527, 3962
Pensions, 845
Recruiting, 51, 360, 372
Advertising of, cost, 986
State of, 936
Unfit men, of, 697, 4006
United States, in, 3758, 3904
Soldiers
Farms, employment on, 1677
Medical treatment of, 3962
Voting of, 4692, 4704, 4729, 4741, 4786, 4792, 4834, 4876, 4887
Army and Navy Veterans, 5911
Assistant Deputy Minister of Labour, suspension of, 688
Babtie, report, Dr. Bruce's reply to, 669
Bull, Mr. Perkins, 1130
Canadian Government Railways
Cars, purchase of, 4928
Coal purchases, 664, 667, 3388
United States, in, 592
Employees Magazine, 452
Level crossing near Trenton, 304
Quebec and Saguenay, etc., 5460
Safety-first inspectors, 337
Steamers, purchase of, 669
See under this head Government Railways Amendment Act *and* Intercolonial Railway
Canadian Northern Railway acquisition of, 4030, 4283, 4544, 4606-4618, 4628-4632, 4864, 4996, 5124
Carson, Major General, 986
Coal, Western mining of, 159, 614
Criminal Code amendments, jurors, 4296, 4322
Customs duties on goods of the Crown 1979, 1982
Dominions Royal Commission, 2338
Emigration of Canadians, 987
Food control, 2001, 3744
Supplies for Great Britain, 2260
France, trade with, 2312
Gordon Divorce Bill, 5904
Government Railways Act amendment, 4339, 4366, 4386
Grain, 4679
Gwatkin, General, 4419
Heals station rifle range, 1675
High cost of living, 695, 3935
Hospitals, military, 54, 59
Hudson Bay railway expenditure, 900, 5088
Immigration
Chinese of, 2143
Regulations, 447

Macdonald, Mr. E. M.—*Con.*
Indians, 2349
Kitsilano, 1129
Industrial Disputes Investigation Act, 1123
Inland Revenue Department
Estimates, 3825, 3827, 3833, 2842
Expenditure, 2380, 2384
Officials, 2360
Intercolonial Railway
Cars, 2226
Employees, promotion of, 779
Operation of, 776
Judges' salaries, 5955
Kentville armoury
Caretaker, 4509
Militia stores, 4510
Kitsilano Indian reserve, 1129
Loan ($100,000,000), 4416, 4621
Lobster fishing, 2155, 5425
Master mariners, 4416
Medically unfit persons, certificates to, 5423
Military bands, 4044
Military service, 2947
Board of Selection, 2954
Contraventions of Act, 3339
Exemptions, 2955
Labour, attitude of, 2958
Quebec, position of, 2959
Referendum, 2961
Minto, steamship—food supplies, 2179
Munitions contracts, 4928
New Glasgow-Mountville mail service, 1037
O'Connor, Mr. W. F., report of, 3935
Overseas Military Forces, Ministry of, 4417, 4442
Overseas Militia Department, non-combatant positions in, 4786
Parliament, extension of term of, 3478
Pelagic Sealing Treaty, claims under, 5958
Pensions, 6005-6033
Canadians in Imperial Forces, for, 4662
Pictou
Freight, handling of, at, 303
Marine and Fisheries agency, 304, 596, 1937
Rural mail routes, 900
Post Office Department, estimates, 2352
Prince Edward Island
Car ferry, 2305
Freight for, 1037
Steamship service, 3389
Prisoners of war, 666
Provincial governments, duties payable by, 2119, 2129
Provincial legislatures, powers of, 1807
Public works expenditure, 1038
Railway Act, The, 3426, 3439, 3441
Railway Department, steamers purchased by, 669

Macdonald, Mr. E. M.—*Con.*
Railway employees, payment of salaries of, 5998
Robb, T.A., 1572
St. John harbour works, 5894
Scientific and industrial research, 3912
Senate, appointments to, 932
Shipbuilding, 802, 1325, 1341, 1914, 1934, 1661, 5430
Soldiers, votes for, 1393, 1399
Stellarton
Public building, 4951
Postmaster, 669, 897, 3758
Submarine situation, 1320, 1339
Taxation
Business profits, 1641
Income, 1652, 3775, 5884, 5886
Wealth, 3480
Taxation measures; Senate's power to amend denied, 5477
Technical education, 1241
Trade and Commerce, South America, 2331
United States
Labourers from, 665
Tariff, changes in, 1264
Vancouver Harbour Commissioners, 1575
Victoria Sealing Company, 5958
Walsh, J. J., 1675
War charities, 5482
War supplies
Munitions contracts, 5517
Political patronage in purchase of, 4050, 4053
Ross rifle, 477, 479
Trenton, contractors for, 303
Wealth, conscription of, 3480
Yukon territory, 1736

Macdonald, Dr. J. A., employment of, 2283

Macdonald, Mrs. Jessie, separation allowances to, 5361

Macdonell, Mr. A. C. (South Toronto)
Military service, 2847
Parliament, authority of, 2848
Quebec situation, 2852
Referendum, 2849
Reinforcements, need of, 2853
Railway Act, The, 3433, 3533
Soldiers, voting of, 2850

Mace, presentation of, 1468

Machine guns. *See* War supplies

Maclean, Mr. Alexander K. (Halifax)
Aldershot camp grounds, 3295, 3419
Apples, embargo on, 5776
Army
Allowances, 4001
Enlistments, 4152

Maclean, Mr. A. K.—*Con.*
Soldiers
Leave of absence for, 4005
Voting of, 1398, 4702, 4712, 4736, 4741, 4786, 4820, 4876, 4887, 4889, 4914, 5196
Atlantic mail service, 452
Baxter, Leslie E., 3418
Bay State Fish Company, 2321
Budget
Trade and financial condition of Canada, 722
Income and expenditure, 723
Political patronage, 726
Taxation of business profits, 727
Free wheat, 729
Encouragement of production, 733
Canadian Northern Railway, 5057
Censorship, 5493
Coal mining, 616
Companies Act Amendment Bills, 843, 1151, 5918, 5942
Customs—bonded goods, 1854
Digby government lands, 2321
Dodge, L. B., payments to, 306
Dredge Cape Breton, 1026
Dry docks, 4458, 5889, 5917
Eaton, Ernest, 3419
Flour, price of, 1059
Food Controller, powers of, 3943
France, trade with, 2314
Government Railways Act amendment, 4361
Halifax and Eastern Railway contractors, 304
Industrial and scientific research, 5281
Intercolonial Railway stations, naming of, 3386
International Fisheries Commission, 892
Letter carriers, salaries of, 581
Loan ($100,000,000), 343
Lockport Cold Storage Company, 2202
Lovett, Mr. James, dismissal of, 453
McLeod-Tellier Commission, 5252
Military District No. 6, 5229
Military hospitals, 4045
Military service, 2674
Classes, 3289
Enforcement, immediate, not desirable, 2681
Exemptions, 3218, 3209, 3309
Motor boat Alase, 5360
Moxom, Major, 4415
Muchaboom wharf, 304
Newsprint paper, 1645
Nickerson, William C., 2283
Nova Scotia Patrol Service, 5423
Outlook Publishing Company, 607

Maclean, Mr. A. K.—*Con.*
Parliament, extension of term of, 3420
Political patronage, 726
Public works expenditure, 5308
Renault, Raoul, appointment of, 2363
Ross rifle, 423, 426, 478
Salt, shortage of, 1373
Schaffner, Mr. L. P., dismissal of, 438
Scientific and industrial research, 3909, 3957
Senate, appointments to, 924
Shipbuilding, 1669, 5442
Senate, proposed change in constitution of, 1140
Soldier's cove wharf, 5339
Taxation
Income, 3766, 3767, 4070, 4111, 4124
Business profits, 727, 1660
Telegraph and telephone lines, 5386
United States, head tax on Canadians, 892
Vessels in government service, 1130
War supplies—mattresses and covers, 6065
War-time Elections Bill, 5595, 5637-5702, 5707-5771, 6072
Polling divisions under, 6070
Windsor Junction mail service, 5913

Maclean, Mr. W. F. (South York)
Address in reply to the Governor General's Speech, 130
Party co-operation, 130
National government, 132
Loans to farmers, 134
The winning of the war, 135
Canadian Northern railway, acquisition of, 4531
Civil Service, appointments and promotions, 2018
Conscription, 1550
Federal law and its enforcement, 3263
Food control, 3750
Government Railways Act amendment, 4362
Grain for breweries and distilleries, 1181
Imperial War Conference, 1548
Letter carriers, 1805
Loans to farmers, 134
Military service, 1550
Enforcement, 3263
Railway Act, The, 3423
Telegraph service, 2109
War supplies, purchases of by British Government, 4952
War-time Elections Act, 5593

MacNutt, Mr. Thomas (Saltcoats)
Aliens, enlistment of, 3656, 4413
Ottawa Journal-Press, statement of, 3655
Parker, Mr. R. G. M., 2201
Soldier Settlement Board, 3790
Tariff revision, 1718, 1727

Macpherson, Capt. Kenneth C., position and pay of, 4292, 4416, 4685

McCoig, Mr. A. B. (West Kent)
Army, soldiers' pay, 3217
Beans for seed, duty on, 671
Cold storage plants, 1628, 2078
Flour, price of, 1063
Food control, 2087
Grain, congestion in the West, 340
Henderson, Mr. Geo. F., K.C., 4243
Hogs, inspection of, 2271
Cholera, 2273
Loans to farmers, 1965
Military service, 2785
Exemptions, 3218
Potatoes, supply of, 936
Titus, Private John, 2237
Tractor engines, duty on, 674
Training camps in Canada, 899

McCraney, Mr. Geo. E. (Saskatoon)
Alcohol for public institutions, 5103
Army, medical service, 3993
Budget, 949
Taxation, 951
Policies, after the war, 953
Canadian Northern Railway, acquisition of, 4551, 4633, 5174
Coal, western mining of, 2184
Dominion Lands Act Amendment Bills, 1157, 3805, 3811
Elrose mail service, 899
Fuel, 1417
Homestead patents, delay in, 3759
Immigrants—exemption from military service, 1572
Industrial Disputes Investigation Act, 1166
Military service, 2558
Enforcement, 2560
Exemptions, 1572, 3221, 3369
Referendum, 2559
Parliament, railway transportation for members of, 3519
Provincial legislators, free transportation for, 300, 683
Railway Act, The, 3519
Seed grain indebtedness, 302, 1126
Soldiers, returned, care of, 475
Soldier Settlement Board, 1164
Taxation, income, 3778, 4075, 4094, 4099
War-time Elections Bill, 5559, 5643-5702, 5712

McCrea, Mr. Francis N. (Sherbrooke)
Budget, 1300
Taxation of business profits, 1300
The pulp and paper industry, 1302
Flour, price of, 1069
Horses, purchases of pure bred, 2279
Military service, 3035

McCrea, Mr. F. N.—*Con.*
Potatoes supply of, 1087
Pulp and paper industry, 1302, 1464
Railway Act, The, 3444
Sherbrooke exhibition grounds, 302
Taxation, business profits, of, 1463
War-time Elections Bill, 5862

McCurdy, Mr. F. B. (Parliamentary Secretary, Department of Militia and Defence)
Army camps, sale of liquor in, 833
Military Service Bill, 2890
Parliamentary secretaryships, 4210, 4450
War-time Elections Bill, 6085

McCutcheon, Stanley, dismissal of, 306

McGee, the late Thos D'Arcy, monument to 3899

McInnis, Mr. M. A., assistant to Fuel Controller, 5422

McKee, A. J., steamer, 669, 4925, 4939

McKenzie, Mr. Daniel D. (North Cape Breton)
Address in reply to the Governor General's Speech, 78, 83
The attitude of Nova Scotia, 79
Mal-administration of the present Government, 81, 89
Canada's duty in regard to the war, 80
Militia Department affairs and the late Minister, 82
Loyal Orange Order, 85
Political patronage in recruiting, 86
Voting of soldiers, 87
Representation of Cape Breton in the Senate, 89
Army
Camps, sale of liquor in, 826, 1567
Enlistment of Canadians in British Army, 385
Forestry battalions, 4509
Recruiting, 86
Soldiers' votes, 87, 4729, 4759
Baddeck mail contract, 1819
Bell, Mr. Alexander Graham, 5783
Budget, 1809
Record of the present Administration, 1090
Political patronage, 1092
Purchase of horses in Nova Scotia, 1093
Development and progress under late Administration, 1094
Canadian Northern Railway, acquisition of, 4039, 4521, 5032, 5162
Civil Service, promotions, 4667
Coal, 2005
Confiscation of by railways, 194

McKenzie, Mr. D. D.—*Con.*
Criminal Code amendment, jurors, 4305, 4330
Customs
Duties payable on Crown's goods, 2130
Officials, 5100
Preventive service, 1882
Dry docks, 4463
Fish and fisheries
Officers, 2170
Development of industry, 2045
Fisher, Mr. Ward, 2170
Flags on public buildings, 4147
Flour, 1879
High price of, 1076
Fuel, 1418
Control of, 2317
Government Railways Act amendment, 4375
Grain for breweries and distilleries, 1178
Highland Brigade, 552
House of Commons—messengers, 6053
Imperial Munitions Board clerks, 305
Imperial War Conference, 1565
Indians, 1893
Sydney reserve, 3664
Inland Revenue Department
Estimates, 2379, 3840
Expenditure, 2379, 2388
Officials, 3840
Insurance, 2102, 4393
Intercolonial Railway
Boisdale contracts, 4415
Claims, 3416
Operation of, 784
Rates on coal, 4292
Stations at North Sydney, McKinnon's Harbour and Christmas Island, 2227
Sydney train service, 2222
Jamesville breakwater, 5328
Judges' salaries, 1976
Labour, 1174, 1988
Conditions on munition work, 2493
Letter carriers, salaries of, 583
Little Bras d'Or dredging, 3886
Magdalen Islands cable service, 5407
Mail contracts, 3637
Margaree harbour improvements, 5336
Matheson post office, 3502
Military service
Appeals, 3185
Burden of proof, 3322
Classes, 3289
Contraventions of Act, 3588
Exemptions, 3232
Labour, attitude of, 2492

McKenzie, Mr. D. D.—*Con.*
Referendum, 2498
Tribunals, 3173
Morton, Dr. A., position of, 5706, 5913
North Sydney
Customs service, 607, 1852
Railway station, 2227
Nova Scotia steamship service, 2286
O'Connor, Mr. W. F., report of, 3753
Investigations of, 3653, 3928
Overseas Military Forces, Minister of, 4424, 4449
Parliamentary secretaryships, 4449
Patenaude, Hon. E. L., resignation of, 2494
Pelagic Sealing Treaty, claims under, 5975
Pensions, 6017
Provincial Governments, duties payable by, 2130
Public works—harbour improvements, 4186
Quarantine service, 3756
Quebec railways, 5473
Racing Form, The, 306, 336, 896
Railway Act, The, 3533
Railway mail clerks, 3650
Renault, Raoul, appointment of, 2368
St. Peter's canal, 3406
St. Pierre Miquelon mail service, 3649
Schaffner, Mr. L. P., dismissal of, 443
Shipbuilding, 1566
Soldiers, votes for, 1397
Soldier's cove wharf, 5337, 5341
Soldier Settlement Act, administration of, 4917
Steamship services, 2324, 2286
Submarine situation, 1333
Taxation, income, 4128, 4135, 4658
Technical education, 1239
Telegraph and telephone lines, 4191, 5362, 5401
War
Charities, 5490, 6062
Expenditure, 549
Supplies, munitions contracts, 5537
War-time Elections Bill, 5606, 5670, 5751, 5841
Wharves, 1945
Wheat, fixing of price of, 3694
Woman suffrage, 1516

McKenzie, Lieut. F. J. S., payments to, 986

McLean, Mr. Angus A. (Queen's, P.E.I.)
Prince Edward Island Railway, 3947
Pensions, 6013
Submarine situation, 1327

McLeod-Tellier Commission
Appointment of, 2056
Counsel, 3418
Expenses of, 5245

McLeod-Tellier Commission—*Con.*
Report of, 4291
Sittings of, 2322, 2357
See also Galt, Mr. Justice, *and* Landry, Mr. Justice

McMillan, Mr. John A. (Glengarry)
Cheese purchases by British Government, 1774
Dairying industry, 2256

McNab, Colin C., proposed allowance to, 578

McNeil, F. C., payments to, 1380

McNeil, Lt. John D., promotion of, 5272

McQueen, Lieut. W. A., employment of, 4508

McSpadden, Lt.-Col., position of, 2618

McWilliams, Mr., dismissal of, 2165

Magdalen Islands, cable service, 5407

Magladery, Mr. Thomas, M.L.A., position and pay of, 4685

Mails. *See* Post office

Manitoba, County Court judges, 5083

Maple sugar. *See* Food products

Marcil, Hon. Charles (Bonaventure)
Address in reply to the Governor General's Speech, 109, 119
Canada and the war, 109, 119
The Nationalist party, 109, 120
The Dorchester election, 111, 120
Recruiting in Quebec, 112, 119, 127
Quebec, past and present. 123
National service, 126
The high cost of living, 129
Army, Fifth Canadian Division, 459
Béland, Hon. Dr., M.P., 311, 341
Bonaventure
Breakwater, 988
County, mail service, 1126
Recruiting officer, 1675
Campbellton-Gaspe steamship service, 1126, 1228, 1959
Carleton Beach protection works, 1126
Civil Service, salaries, 2238
Court, Private Harry Ivan, 3295
Cross Point wharf, 988, 1228, 1571
Customs Department, dismissals from, 1844
Dagneau, John F., 1471
Daylight saving, 3685
Dorchester county election, 111, 120
Elaine, steamer, 1379
Gascons wharf, 2055
Gaspe steamship services, 2325
Government Railways Act amendment, 4343
Hopetown post office, 989, 1474
Interprovincial bridges, 3891
Intoxicating liquors, 2008
Le Blanc, Maurice, 1816

Marcil, Hon. C.—*Con.*
Marcil, Private Joseph, 893
Maria Beach protection works, 898
Matapedia public highway, 1379, 1816
Migratory birds, 3660
Miguasha wharf, 1126
Military service
Classes, 3354
Exceptions, 3564
Exemptions, 3219, 3307, 3364
Persons liable for service, 3129
Quebec situation, 2428, 3257. *See under this head,* Quebec
Referendum, 2432
Militia Department, employees, 312
Montreal, customs collectorship, 311
Nationalist party, 109, 120
New Carlisle, war expenditure in, 1575
New Richmond post office, 898
Overseas Military Forces, Minister of, 4209
Packages, marking of,—inspection and sale, 4067, 4070
Paspebiac wharf, 898, 988
Paspebiac-Hopetown mail service, 1126
Pratt Bros., payments to, 1570
Prisoners of war, exchange of, 341
Quebec and Oriental railway, 1674
Quebec, recruiting in, 112, 127, 213, 342, 2428
Railway Act, The, 3513
Read, Lance Corporal, 717
Renault, Raoul, appointment of, 2375
Restigouche river, bridging of, 988
Ross rifle, 422
Ruisseau le Blanc breakwater, 898
St. Charles de Caplan wharf, 898
Separation allowances, 386
Shigawake post office, 898
Shigawake East post office, 988
Shipbuilding, 1921, 1930
Soldier Settlement Board, 3626, 3789
Taxation, income, 4102, 4123, 4130
United States troops, training of in Canada, 2482
War-time Elections Bill, 5641, 5717, 5813
Wharves, 1944

Marcile, Mr. Joseph E. (Bagot)
Budget, 1292
Trade and financial conditions, 1293
The French-Canadian people, 1294
Recruiting, 1294
Transcontinental railway, 1295
Government appointments and dismissals, 1296
Canadian Northern Railway, acquisition of, 4998
House of Commons Accountant's office, lease of premises, 5703
Military Service Bill, 3053
Recruiting, 1294

Margaree harbour improvements, 3867, 5330

Maria Beach protection works, 898

Marine
- Coastal regulations, 1912
- Hospitals. *See that title*
- Icebreakers, 1818, 1836
- Insurance. *See that title*
- Life-saving, 1949
- Lighthouse and coast service
  - Agencies, 1936
  - Compressors, sale of, 4920
  - Lights, experiments with, 2173
  - Maintenance and repairs, 1940
  - Salaries, 1939, 3134, 6049
  - Signal service, 1942
- Maritime road repairs, 1815, 1947
- Minto, steamer, food supplies for, 2175
- Navigation
  - Aids to, 1940
  - Obstructions to, 1841
  - Schools, 1838
- Ocean and river service, contracts for provisions, 4923
- Pilotage, 4922, 6049
- Pilots' pensions, 1948
- St. Lawrence signal and telegraph service, 1471
- Shipbuilding, 242, 292, 703, 1325, 1342, 1551, 1556, 1565, 1566, 2293
  - Contracts by Imperial Munitions Board, 1371, 1661, 1663, 1913
  - Government aid to, 802, 1371
  - Government vessels, 1912
  - Vessels under construction, 665, 1666
  - Wooden, vessels, construction of, 1775, 1924
- Steamers, government
  - Construction, 1912
  - Maintenance and repairs, 1836
  - Revenue cruisers, 1881
- Steamship services. *See that title*
- Vessels
  - Commandeering of, 662, 1667
  - Government service, in, 1130
  - Investigations into, 1838
- Wharves, repairs to, 1943

Marine and Fisheries Department
- Appointments, 1937
- Estimates, 655, 1815, 1836, 1912, 4920, 6049
- Pictou agent, 1936
- Services of, 2027

Maritime Provinces
- Elections, 207
- Military affairs, 5226

Marlow, Lt.-Col. F. W., appointment of, 1227

Martell, Lieut. L. H., position and pay of, 5914

Martin, Mr. Méderic (Montreal, St. Mary's)
- Food control, 2094, 2097
- High cost of living, 708
- Letter carriers, salaries of, 580, 1474
- Military service, 2813
  - Amendments, 2820
  - Quebec situation, 2813
- Oleomargarine, 2202, 2283
- Soldiers, behaviour of at public gatherings, 5233
- Taxation, income of, 4127
- War-time Elections Bill, 3612

Matane harbour light, 1575

Matapedia public highway, 1379, 1816

Matheson post office, 3502

Matthews-Blackwell, Limited. *See* O'Connor

Matthews, Mr. L., 1228

Meat and Canned Foods Act Amendment Bill. Res., 2114. 1r., 2116. 2r., 2149. Ref., to Com., 2149. Com., 3400. 3r., 3401. Sen. amndts., 5425

Medicine Hat, military reserve, 301

Meighen, Hon. Arthur (Solicitor General)
(From p. 4926 Secretary of State and Minister of Mines.)
- Army
  - Desertions, 3111
  - Discharges, purchase of, 3112
  - Enlistment, 2530
- Budget. 845
  - Revenue and expenditure of Canada, 846
  - Fiscal policies, 848
  - Free wheat, 850
  - Amendment of Mr. Turriff, 859
- Canadian Northern Railway, acquisition of, 4257. 4264, 4580, 4597-4614, 4631, 4842, 5133
- Capital punishment, 619, 636
- Censorship
  - Censors and decoders, 576
  - "The Fiddlers," 5947
- Coalition government, 3732
- Companies Act amendment, 5918-5942
- Flour, price of, 1073
- Free wheat, 850
- McLeod-Tellier Commission, 5245, 5255
- Military service, 3237-3261
  - Appeals, 3175, 3301
  - Burden of proof, 3318
  - Classes, 3140
    - Calling out by, 3130, 3271
    - Division into, 3355
  - Contraventions of Act, 3325-3352, 3360, 3579
  - Exceptions, 3362-3371
  - Exemptions, 3130, 3188, 3196, 3205, 3211, 3219, 3272, 3303, 3362

Meighen, Hon. A.—*Con.*
Expenses, 3262, 3361
Labour, attitude of, 3732
Parliament, authority of, 2530
Penalties, 3271
Persons liable for service, 3116, 3125
Quebec situation, 2536
Referendum, 2533
Regulations, 3314
Tribunals, 3149, 3295, 3574
Passports for women, 5783
Press statements correction of, 4889
Provincial legislators, free transportation for, 685
Senate, appointments to, 926
Soldiers
Returned, appointment of to government positions, 6058
Votes for, 1390, 3730
Transcontinental railway—removal of rails to France, 1229, 1266
United Grain Growers, Limited, 894
War charities, 6062
War supplies, Ross rifle, 479, 493
War-time Elections Bill, 5582, 5637-5702, 5708-5771, 6076
Merritt, Col. W. H., collection by for Aviation Fund, 5362
Michaud, Mr. Pius (Victoria, N.B.),
Blain, Lieut. Roswell, 4245
Canadian Northern Railway, acquisition of, 5028
Civil Service promotions, 2021
Dalhousie militia buildings, 454
Danis, Joseph M., 2618
Farm labourers from United States, 4512
Immigration regulations, 454
Intercolonial railway, 798
Mail service, 3639
Military Service Bill, 2808
United States, head tax on foreigners entering, 1266
Middlebro, Mr. William S. (North Grey)
Army, soldiers' votes, 4894
Breidert and Mudge patents, 1199
Canadian Northern railway, acquisition of, 4512
Companies, incorporation of, 5939
Food control, 2509
Government Railways Act amendment, 4378
House of Commons—sessional indemnity of members, 6046
Military service, 2502
Exemptions, 2506, 3202
Parliament authority of, 2503
Provinces, recruiting by, 2511
Referendum, 2502, 2512
Pensions, 6010
Soldier Settlement Board, 3624

Middlebro, Mr. W. S.—*Con.*
Taxation
Business profits, 2508
Wealth, 2507
Income, 4073, 4106
Migratory Birds Convention Bill. 1r., 2525. 2r., 3657. Com., 3657. 3r., 3662
Miguasha wharf, 1126
Military
Bands, 4044
Districts
Nos. 3 and 10, 455
No. 6, Halifax, Capt. R. V. Harris, 5422
Officers, 5226, 5236, 5422
Forces
Overseas, Minister of, 4195, 4417, 4441
Administration of, 4200
Hospitals. *See that title*
Trains, 2205
Military and Naval Aid Bill ($500,000,000). *See* War Appropriation
Military Hospitals Commission, 464, 473, 4243
See also Canadian Army Medical Service *and* Hospitals
Military Service. *See also* Army *and* Conscription
Appeals, 3175
Army Act, provisions of, 3111
Authority of Parliament, 2392, 2419, 2435, 2465, 2530, 2539, 2622, 2632, 2643, 2669, 2743, 2848, 2851, 2911, 3031, 3723
Available men, 2390, 2439, 2455, 2551, 3049, 3255, 3371
Board of selection, 2954, 5083, 5474
Burden of proof, 3318
Certificates, 3261
Classes
Calling out by, 3130, 3138, 3272
Division into, 3353
Contraventions of Act, 3324, 3360, 3579
Correspondence between Prime Minister and ex-Minister of Militia, 2434, 2446, 3086
Council, 5314
Enforcement, 2416, 2545, 2560, 2681, 2744, 2780, 3262
Examiners, medical, 6069
Exceptions, 3269, 3362, 3559
Exemptions, 2607, 2624, 2806, 2955, 3043, 3130, 3187, 3272, 3303, 3362 5417, 6002, 6068
See also under this title Classes *and* Persons liable for service
Expenses, 3262, 3361
Great Britain, military service in, 2908
Industrial requirements, 2441, 2579, 2798, 3020
See also Labour

Military Service—*Con.*
Insurance premiums of soldiers, 3557, 3589
Labour, attitude of. *See* Labour
Medically unfit persons, certificates to, 5423
Penalties, 3271. *See under this title*, Classes
Persons liable for service, 3116
Quebec Province, relation to, 2398, 2424, 2428, 2473, 2515, 2536, 2543, 2549, 2602, 2626, 2638, 2659, 2685, 2697, 2704, 2716, 2728, 2736, 2748, 2754, 2784, 2792, 2812, 2828, 2841, 2852, 2866, 2898, 2926, 2959, 2965, 2998, 3005, 3017, 3037, 3257, 3255
See also Quebec
Referendum proposed, 2403, 2478, 2498, 2521, 2527, 2533, 2555, 2582, 2589, 2601, 2623, 2632, 2651, 2659, 2665, 2670, 2713, 2729, 2736, 2787, 2849, 2858, 2860, 2882, 2889, 2894, 2900, 2961, 3013, 3028, 3046, 3721, 3728, 3730
Registrars, 3174, 5900
Regulations, 3235, 3314
Selective draft features, 2438, 2458, 2910, 2954
See also, under this title, Board of Selection
Tribunals, 3149, 3295, 3301, 3574, 5881
Location of, 4193

Military Service Bill, 1917. 1r., 2184. 2r., 2390, 2434, 2458, 2483, 2526, 2571, 2592, 2654, 2709, 2777, 2833, 2881, 2903, 2944, 2947, 3004. Div., 3085. Com., 3086, 3110, 3135, 3187, 3237, 3295, 3353, 3375, 3554, 3557. 3r., 3718. Sen. amdts., 4663
Amendments proposed
Sir Wilfrid Laurier, 2403; lost on div., 3074
Mr. Barrette, 2524. Point of order respecting, 2844; Committee of inquiry into, 2880, 2944. Lost on div., 3074
Mr. Copp, 3075; lost on div., 3084

Military Service Council, 5314

Military Voters' Bill, 1917. 1r., 4406. 2r., 4688. Com., 4693, 4740, 4792, 4874, 4889. 3r., 5086, 5195
Amendments proposed: Mr. Pugsley, (1) 4762; lost on div., 4774. (2) 4892; lost on div., 4907. Mr. German, 4907; lost on div., 4909. Sen. amdts., 5956

Militia and Defence
Department
Administration of, 82, 287
Automobiles, 2525, 3903
Employees, 312
Estimates, staff and salaries, 3949, 3962, 4044, 5218
Drill halls, control of, 4146

Militia and Defence—*Con.*
Ex-Minister of,
Charges by, 226, 234
Resignation of, 164, 287
Correspondence relating to resignation of, 991
Headquarters staff at Halifax, 5226
Home defence, 336, 359, 1038, 2628, 3955
Officers, recruiting of, 3134
Military buildings, inspector of, 1039
Overseas Minister of. *See* Overseas Forces
Permanent force, 4055
Princess Louise Fusiliers, officers of, at Halifax, 5271

Mill feeds. *See* Grain

Milsom, Major J. C., inquiry into conduct of, 1265

Mines and Minerals
Department estimates, 657, 4179, 5780
Ministry of, proposed, 2007
Smelting, provision for, 66
Zinc, bounties on, 2330
See also Fuel

Minister of the Overseas Military Forces, the Parliamentary Secretary of the Department of Militia and Defence, and the Parliamentary Under-Secretary of State for External Affairs Bill. Res., 4195. 1r., 4215. 2r., 4417. Com., 4441. 3r., 4661
Amendments proposed: Mr. Lemieux, 4448; lost on div., 4449. Mr. Proulx, 4453; lost on div., 4453
See also Parliamentary Secretaryships

Mint, Royal, Ottawa Branch, 1474

Mitchell, Private J. F., death of, 1377

Moffat, Lieut. R. J., expenses of, 5361

Molloy, Mr. John P. (Provencher)
Army allowances, 3082
Kelly, Thomas, treatment of, 896
Loans to farmers, 1964
Military Service, 3082
Railway mail clerks, 4102
Tariff revision, 1776

Moncton
Armoury site, 4787

Mondou, Mr. A. A. (Yamaska)
Military service, 2989
Montreal Gazette, statement of, 3004

Montreal
Contributions to the war, 249
Customs collectorship, 311, 648
Immigration agents, 5122
Inland Revenue officials at, 758

Montreal—*Con.*
Postmaster, 523, 581
Post office sub-station, 596
Public building, 305

Montreal Trades and Labour Council, 2198

Monuments, erection of, 3896, 3899

Moore, Major Rev. A. H., 1265

Moosejaw
Enlistments, 5122

Moosejaw News patronage, 2708

Morphy, Mr. H. B. (North Perth)
Army
Soldiers, voting of, 4701, 4756, 4786, 4815, 4900
Cheese manufacture, regulations, 2265
Civil Service salaries, 2013
Companies, incorporation of, 5941
Criminal Code amendments, jurors, 4299, 4324
Gordon Divorce Bill, 5906
Insurance, 5196
Live Stock and Produce Bill, 4290, 5505, 5513
Military service
Classes, 3142, 3284, 3291
Exemptions, 3193, 3364
Persons liable for service, 3118
National Gallery of Canada, 5301
Pensions, 6010
Telegraph and telephone lines, 5378

Morris, Mr. James (Chateauguay)
Budget, 973
Nationalist party, 974
Free wheat, 975
The record of the Government, 975
Military Service, 2978
Newspaper article, correction of, 1775
Woman suffrage, 1523

Morton, Dr. A., position of, 5706, 5913

Mounted Police
See Royal Northwest

Mount Royal Tunnel and Terminal, 4835

Maxom, Major, position of, 4415

Muchaboom wharf, 304

Murphy, Hon. Charles (Russell)
Address in reply to the Governor General's Speech, 225
Proposed committee of inquiry, 225
Charges by ex-Minister of Militia, 226
Army medical service, 227
The Ross rifle, 228
Armstrong, S. A., 802

Murphy, Hon. C.—*Con.*
Army
Medical service, 227, 3978
Overseas forces, proposed holiday for, 5902
Rejected men, 3100
Soldiers, voting of, 4760, 4812, 4890
Baugh, Edward Levi, 1470, 2481
Canada Gazette, publication of, 3738
Canadian Northern railway acquisition of, 4593-4608, 4637, 4972
Cheese purchases by British Government, 1863, 2197
Civil Service appointments, 643, 648, 2021, 2238
Under Order in Council of Jan. 1, 1917, 3003
Promotions, 4666
Firearms in Quebec hardware stores, 5083
Flour, alleged profit on, 5085
Georgian Bay Canal Commission, 3901
Hospital on Parliament Hill, 1228
Inland Revenue Department, estimates, 2388
Latchford, Ont., plant and buildings, sale of, 5706
Lessard, General, 365
Marlowe, Lt.-Col. F. W., 1227
McLeod-Tellier Commission, 5251
McSpadden, Lt.-Col., 2618
Military Service, 2538
Enforcement, 2545
Labour, attitude of, 2543
Quebec, attitude of, 2543
Senate amendments, 4665
Montreal
Post office sub-station, 596
Public building, 305
Monuments, erection of, 3900
Ottawa, government land in, 1130
Parliament buildings
Brick for, 337
Contract for construction of, 454
Stone for, 304
Parliamentary secretaryships, 4213
Public Works Department architect, 5104
Recruiting of British subjects in United States, 2482
Rideau canal, lighting of, 1939
Ross rifle, 228, 421
Substitute for, 1012, 1594
Valuation of factory, 1265
Taxation, income, 4131, 4649
War supplies, clothing, 3556
War-time Elections Bill, 5618, 5656, 5669, 5732, 5764

Murray Bay railway service, 617

National Battlefields Commission, 2061

National Gallery of Canada, 3398, 5301

National Government, 132, 136, 161, 177
See Coalition

National Organization for War, pamphlet, 4685

National Service, 71, 93, 126, 170, 191
Cards, 2479
Distribution and return of, 361, 667, 713, 1376
Effect of on recruiting, 361, 374
Commission, 64, 200
Employes of military age, 4787
Expenditure, 3676
Officials, 309, 376, 3676
Purpose of, 370, 2413
Statement by the Director General, 6086

National Trust Company, 4417, 4685

National Transcontinental Railway. *See* Canadian Government railways

Nationalist party, 109, 120, 143, 179, 1224
Statement by Prime Minister, 4564

Naturalization Acts, administration of, 3741

Naval Service
Department
Estimates, staff and salaries, 660, 4157
Statement by the Minister, 4157
Grilse, H.M.C.S., command of, 4563
H.M.C.S. Niobe and Rainbow, 4162
Life saving, 661
Master mariners at Halifax, 4416
Officers at Halifax, 6000
Patrol service, 4163, 4164, 4170, 5243, 5274
Recruiting for British Admiralty, 4159
Transport service, 4161
Wilfrid C., vessel, 4062
See Air Service

Niobe
See Naval Service

Neely, Mr. D. B. (Humboldt)
McInnes, M. A., 5422
Military Service Bill, 2778
Sifton, Sir Clifford, statement of, reply to, 5774
Tariff revision, 1730
Taxation, farm implements, 1730
War-time Elections Bill, 5587, 5643-5652, 5724, 5821
White, Rev. Ward, 3903

Neely, Captain D. B., M.P., position and pay of, 6066

Neilly, Dr., military position of, 2707

Nesbitt, Mr. Edward W. (North Oxford)
Address in reply to the Governor General's Speech, 94
Canadian troops at the front, 95

Nesbitt, Mr. E. W.—*Con.*
Economy in government expenditure, 95
Camp Borden, 96, 100
National Service cards, 96
Expenditure on public works, 97
Political patronage, 97
Military officers, 98
Recruiting, 98
Army
Medical service, 542
Soldiers
Pay, 3216, 5223
Voting, 4705, 4769, 5196
Bran, prices of, 4466
Brantford moulders' strike, 2322
Canadian Northern railway, acquisition of, 4501, 4609, 4632, 5131
Cattle, British embargo on, 920
Cheese purchases, 2197, 2258
Cold storage, 2255
Criminal Code Amendment, proposed, 1677
Daylight saving, 3684
Farm labour, 3510
Government Railway Act amendment, 4346
Grain for breweries and distilleries, 1179
Insurance, 3850, 5200
Live stock exchanges, 4289, 5503
Loans, public, 347
Military Service
Classes, 3143
Exemptions, 3211, 3216, 3272
Quebec situation, 2594
Voluntary enlistment, 2592
O'Connor, Mr. W. F., report of, 3747
Overseas Military Forces, Minister of, 4208
Penitentiaries, 6036
Pensions, 6016
Political patronage, 97
Potatoes, 1437
Quebec railways, 5463
Railway Act, The, 3520, 3530
St. John harbour works, 5895
Scientific and industrial research, 3911
Taxation
Business profits, 1436, 1445, 1654
Wealth, 2597
Telegraph and telephones lines, 5400
Tractor engines, duty on, 677
United Grain Growers, Limited, 895
War charities, 5481
War expenditure, 541

New Brunswick Public Works. *See* Public Works

New Carlisle, war expenditure in, 1575

New Glasgow-Mountville mail service, 1037

New Hamburg postmaster, 6053

New Richmond West post office, 898

Newsprint paper, 757, 1464, 1645
See Pulp and paper

Nicholson, Mr. Donald (Queen's, P.E.I.)
Address in reply to the Governor General's Speech, 238
Canada under Conservative rule, 238
Enlistments from Prince Edward Island, 241
Prosperity of Canada, 241, 243
Shipbuilding, 242
The French-Canadian people, 243
Military Service, 3001

Nickerson, W. H., dismissal of, 1472

Nickerson, William C., employment of, 2283

Nickle, Mr. W. F. (Kingston)
Army
Camps, sale of liquor in, 838
Forestry battalions, 3951
Pensions, 1615
Canadian Northern railway acquisition of, 4587
Civil Service salaries, 2250
Industrial and scientific research, 5284
Military Hospitals Commission, 473
Military Service
Classes, 3290
Exemptions, 3203
Packages, marking of—inspection and sale, 4066
Penitentiaries, officials, 6037
Pensions, 6011, 6033
Quebec railways, 5462
Railway Act, The, 3532, 3540, 3604, 3608
Royal Military College, 5310
Senate, proposed change in constitution of, 1141
Separation allowances, 382
Soldiers, returned, care of, 472
Taxation, income, 4074, 4107
Toronto, Hamilton and Buffalo railway, 2611
War charities, 5488
War-time Elections Bill, 5753, 5837

Nixon, Mr. A. W., military position of, 6067

Non-support
See Criminal Code Amendment Bills

North Battleford, government employees, 453

Northrup, Mr. W. B. (East Hastings)
Gordon Divorce Bill, 5497, 5904
Grain for breweries and distilleries, 1134
Parliamentary sessions, expense of, 1261, 2524
Racing meets, limitation of, 321

North Sydney customs service, 607, 1852

Northwest Game Bill, The. 1r., 2569. 2r., 3665. Com., 2665, 4659. 3r., 4661

Nova Scotia
Electoral lists, 6068
Judge for district No. 6, 6003
Patrol service, 5423
Public works. *See* Public works

Ocean Telegraph Act Repeal Bill. Res., 2024. 1r., 2026. 2r., 2108. Rep., 2114. 3r., 2137

O'Connor, Mr. W. F., K.C. *See* Food: Investigation

Officers. *See* Army

Ogilvie Flour Mills Co., earnings and taxes of, 198, 1818, 2389, 3677

Oil, bounties, 2329

Oil-boring machinery, 301

Oleomargarine, 304, 2202
Resolution of Montreal Labour Club, 2283

Oliver, Hon. Frank (Edmonton)
Address in reply to the Governor General's Speech, 67
Our obligations in the war, 68
Recruiting, 69-77
National service, 71
The present Administration and the war, 77
Aliens, homestead rights of, 3808
Army
Allowances, 3079
Enlistment
Alberta, in, 3373, 3375
Retarding of, 2411-2415
Unfit men, of, 4003
See, under this head, Recruiting
Expeditionary force, 1816
Forestry battalions, 3951
Medical service, 3975
Officers, salutes to, 5425
Pensions, 384
Recruiting, 69
Edmonton, in, 366, 3371, 3375
Expenses, 1959
Government, 3371
Unfit men, 3107
United States, in, 3759
See, under this head, Enlistment
Soldiers
Pensions, 1603, 4051
Returned, care of, 474
Separation allowances, 383, 387
Voting of, 4791, 4812, 4892-4914
Widows of, 3806
Binder twine, 2333
British Cattle Supply Company, 1817
Bruce, Dr., report of, 1343, 1525

Oliver, Hon. F.—*Con.*
Canada Year Book, 2337
Canadian Government railways, rolling stock, 4930
Canadian Northern railway, acquisition of, 4304, 4505, 4610-4619, 5180
Capital punishment, 630
Cloakey, George, 1819
Coal, western mining of, 2200, 2238, 2525, 2653, 2776
Cold storage, 2259
Conscription, statement in L'Evenement, 434
Customs Tariff Act, proposed amendment, 1685, 1689, 1727, 1776
Dominion Lands officials, 1675
Dominion Lands Act amendment, 3793-3812
Drake, steamer, 4245
Edmonton railway bridge, 3892
Edson, town of, 1816
Elevators *See, under this title,* Grain
Experimental stations, 2065
Fiddlers, the. *See, under this title,* "The Fiddlers"
Fisheries, Lac la Biche, 2158
Flour, 5209, 5212
Sales between Canada and United States, 5273
Free food, proposed amendment, 1686
Food control, 2081
Freight rates, 3715
Game in the Northwest, 3665
Government employees, political activity of, 2349
Grain
Board of Supervisors, 3697
Elevators, 2334
Transportation of, 1681, 3396, 3412, 3712
Wheat
Export, prohibition of, 3882
Prices and control, 3690, 4512, 4661, 4687, 4887, 5209, 6000
Grande Prairie immigration hall, 1575
Grey, Ambrose, 1818
Homestead regulations, 1747
Homesteaders, names of, 1819
House of Commons
Estimates, 2359
Sessional indemnity of Members, 6047
Howe, Lt. M. J., 6066
Hudson Bay railway, 5092
Immigration, 1764, 2140, 2148
United States, from, 1747
Indians
Kitsilano reserve, 1899
Lands, 1888
Okanagan reserve, 1378, 2341
Industrial and scientific research, 5280

Oliver, Hon. F.—*Con.*
Inland Revenue Department officials and expenditure, 2362, 2380-2387
Intercolonial railway, rails, 1575
Interior Department employees, 1344, 2349
Live stock
Exchanges, 5508
Improvement of, 2278, 2281
Mail service, 3638
Merritt, Col.—Aviation Fund, 5362
Military service
Authority of Parliament, 2419
Available men, 3371
Burden of proof, 3322
Classes, 3358
Contraventions of Act, 3328, 3351, 3360, 3579
Enforcement, 2416
Exemptions, 3195, 3227, 3234, 3311, 3364
General provisions, 2411, 3238
Mounted Police, Royal Northwest, 301, 335, 4674
National service, 71, 361, 370, 374, 2413
National Transcontinental railway, 2209, 2218
North Battleford government employees 453
O'Connor, Mr. W. F., report of, 3938
Oil bounties, 2329
Parliament, extension of term of, 3496
Patriotic Fund, 3079
Penitentiaries—officials' salaries, 6043
Pensions, 6005-6033
Poplar trees, conservation of, 3742
Public buildings
Construction, 4181
Rentals, 4149, 5097
Repairs, 5106, 5304
Telephone service, 4147
Quebec and Saguenay railway, 1575
Railway material, removal of to France, 201, 310, 1473-1474, 1615, 1628, 1820, 3407-3408, 3398, 5293
Railways
Expenditure on, 2233
Operation of, 3412
Transportation of coal by, 3395
Recruiting. *See, under this title,* Army
Rogers, Lt.-Col. Maynard, 1818
Ross rifle, 427, 432, 478, 510
Shore, George, suspension of sentence on, 1373
Soldier Settlement Board, 2780, 3625
Tariff revision, 1776
Taxation, 1677
Income, 4644
Telegraph and telephone lines, 3893, 5389

Oliver, Hon. F.—*Con.*
"The Fiddlers" forbidden circulation, 3503. 3654, 3881, 5942. 5944
War
Charities, 3489
Government, administration of, 3371
Munitions contracts, 5532
War-time Elections Bill, 5553, 5638-5702, 5816
Ways and Means—amendment to motion for second reading of resolutions, 1677
Yukon
Judges' salaries, 5897
Miners' strike, 3086
Prices and cost of living, 2199, 2237, 2481, 2525, 2945

Orangemen. *See* Loyal Orange Order

Ottawa
Government land in, 1130
Rents paid by the Government in, 4149, 5097

Outlook Publishing Company, payments to, 607

Overseas Minister of Munitions. *See* War

Overseas Forces, Minister of the, 5
Non-combatant employees of Department, 4786
See Minister of the Overseas Forces, etc., Bill

Overseas forces. *See* Army.

Pacaud, Mr. Lucien T. (Megantic)
Military Service Bill, 2916
Thetford mines labour trouble, 1113

Pacific Dredging Company, 1126

Packages, marking of. *See* Inspection and Sale Act Amendment Bill

Palmerston post office building, 1127

Papineau, Mr. Louis J. (Beauharnois)
Lefebvre, Major Alfred, 1037, 2618, 2003
Military service, 2997

Paquet, Mr. Eugène (L'Islet)
Budget, 1297
Union and solidarity of the Canadian people, 1297
The financial position of Canada, 1298
Munitions manufacture, 1299
Development of agriculture, 1300
Food products, imports and exports of, 1573
Immigration, 803
Military service, 2789
Public health, 992
Repatriation of Canadians, 803

Pardee, Mr. Frederick F. (West Lambton)
Army
Camps, sale of liquor in, 823
Enlistments, 1125
Medical service, 3971

Pardee, Mr. F. F.—*Con.*
Budget, 1304
Investigation into cost of foodstuffs, 1304
Plea for better Canadianism, 1307
Canadian Northern railway, acquisition of, 5136
Drawbacks, payments of, 1818
Food products, control of, 1304
Georgian Bay Canal Commission, 452
Home Defence Force, 1038
Judges on provincial commissions, 593
Lavergne, Mr. Armand, 1038
Lewis machine guns, 2201
Mackenzie, Lieut. F. J. S., 986
Military service
Exemptions, 3191
Personal attitude respecting, 3721
Persons liable for service, 3127
Tribunals, 3163
National Gallery, 5303
National Service cards, 1376
New Hamburg postmaster, 6053
Parliament, extension of term of, 3481
Pensions, 6007
Post office employees—salaries, 6051, 6053
Returned soldiers, 459
Shipbuilding at Prince Rupert, 4787
Taxation
Income, 4118, 4638
Wealth, 2528
Traction engines, duty on, 680
War-time Elections Act—tribunals, 6070

Paris, Ontario, recruiting in, 601

Parker, Mr. R. G. M., salary and position of, 2201

Parks, Canadian National; Jasper, 1477

Parliament
Adjournment of—Imperial War Conference, 117
Extension of term of, 15, 37, 157, 172, 175, 189, 223, 293, 2396, 3419.
Address to His Majesty the King, 3453, 3475; Div., 3501
Proposed amendment of Mr. Graham, 3461; Div., 3483
Statement by Prime Minister—no action, 3504
Members
Military pay of, 713
Railway transportation for, 3519
Printing of, 2007, 5901
Report of Committee on, 5949
Sessions—expense of
Motion for Committee to consider, 1261
Committee appointed, 1568
Joint action with Senate proposed, 2024
Reports, 2524, 5636

Parliament Buildings
New
Brick for, 337
Construction of, 454, 4181
Marble for, 2833
Stone for, 304
Old—destruction of—indemnities for losses, 4413

Parliamentary Procedure
Adjournment motion for discussion of definite matter of urgent public importance
Discussion closely limited, 1176
When allowable, 5517, 5547
Appeal from ruling of Chairman, 2366
Bills
Discussion on introduction of, 4410
Discussion of subsequent to amendments being reported from Committee, 5771
Printing of in both languages, 5550, 5559
Sections allowed to stand not debatable, 4752
Censored publications, quotation from in Parliament, 5492
Closure
Applied
Canadian Northern Railway Bill, notice, 5121; carried, 5123
War-time Elections Bill. 2r., 5565, 5566. 3r., 5806
Concurrence in resolution of Committee of Supply not debatable, 5095
See Speaker
Rules of debate under, 5002, 5015, 5121, 5123, 5565
Committee of Supply
Application of rule 17c to Saturday sittings of, 5891, 5901
Procedure in discussing items of which votes are made up, 4947
See, under this head, Concurrence
Committee of Ways and Means amendments when in order
Moved, 478
Chairman's ruling, 521
Resolutions from, amendment to second reading must be relevant, 1686
Concurrence in resolution of Committee of Supply—form of notice, 5095
Irrelevancy, 2362, 2374, 5235, 5237
Language reflecting on the Chair, 2567, 2609
Letter read in violation of rules of the House, not printed, 3956
Motions, debatable, 5094
Motion for delay, Speaker's ruling, 3078
Order of business, 5891, 5901

Parliamentary Procedure,—*Con.*
Order of the day lapsed for want of a quorum, reinstatement of, 2877
Orders of the Day—motion to read, 5703
Petitions, form for presentation of, 2284
Privilege—statement of member, how limited, 599
For Privilege, *see that title*
Questions
Answers to, discussions on, 4959
Not in proper form, 4834
Receiving report of Committee of Supply—form of notice, 5095
Saturday sittings, Committe of Supply, how constituted in, 5890
Senate
Regularity of its proceedings not to be questioned in House of Commons, 5498
Taxation measure amended by, 5480, 5883
Sitting of House suspended, 1766
Taxation exclusive rights of House of Commons over, 5480, 5883
Votes and Proceedings, correctness of entry in, Committee to inquire into appointed, 2880. Report of, 2944

Parliamentary Secretaryships, 5
See Minister of the Overseas Forces, etc., Bill

Paspebiac wharf, 898, 988

Paspebiac-Hopetown mail service, 1126

Passports, Atlantic, for women, 3996, 5783

Patenaude, Hon. Esioff L. (Secretary of State)
Post Office Department estimates, 660
Resignation of office, 2199, 2235
Correspondence with Prime Minister, 2494
Secretary of State Department, of the, estimates, 655
Victoria bridge toll rates, 672

Patent medicines, 1470
Classification of, 335
Controller of, resigns, 986
Legislation, inquiry as to proposed, 985
Regulations governing, 3817

Patent Record, printing of, 2062

Patriotic Fund. *See* Canadian Patriotic Fund

Patronage. *See* Political

Pay and Records Office, 3104

Payne, Mr., employment of, 5272

Peace
Dominions, consultation with on, 300
Proposals
President Wilson's, 103
Rumoured, 4466

Peat, 1405, 1422

Pelagic Sealing Treaty, claims under, 5953

Penitentaries
Dorchester, 1813
Meat supplies for, 337
Guards, salaries, of, 5803
Kelly, Thomas, treatment of, 1813
See Kelly
Officials, salaries of, 5898, 6033
Portsmouth, 3418
Prisoners
Enlistment of, proposed, 1012, 1814
Labour of, 6036, 6040
Release of, for work on farms, 803
Report of inspector, 3419

Pennsylvania coal, embargo on, 2199

Penny Bank Act Amendment Bill. 1r., 1773. 2r., Com., 3r., 2059

Pensions
Military, 1594
Amount required for, 5899
Board of Commissioners and staff, 608, 4176, 4958
Canadian in Imperial forces, for, 4662, 4688
Dependents of soldiers, 4051
Erroneous announcement denied, 5423
European war, 6005
Militiamen, 6004
Patriotic Fund, agents in applications, 382
Proposed bill, 845
Inquiry concerning, 4293
Revision of scale, 5424
Naval, pilots, 6049
Royal Northwest Mounted Police, 5704

Perley, Sir George Halsey
Appointment as Minister of the Overseas Forces, 5

Petroleum. *See* Oil

Pictou (County)
Rural mail routes, 900

Pictou (Town)
Contractors for war supplies at, 303
Freight, handling of, at, 303
Marine and Fisheries agency, 304, 596, 1936

Plaxton, Mr. Charles P., position of, 4416

Point Tupper mail service, 3502

Political deadlock, rumoured, 1971

Political meetings, attendance of soldiers at, 4338

Political patronage, 203, 205, 287, 726
Recruiting, in, 86, 97, 154, 162

Pollution of streams, 454

Pommeroy, Mr. Samuel, position of, 4952

Poplar trees, utilization of, 3742

Port Hood wharf, 5336

Port Malcolm wharf, 3866

Post Office
Country postmasters, salaries of, 3634, 3642
Department
Estimates, 660, 2352, 2360, 3633, 5898, 6051
Staff and salaries, 660, 3633, 5898, 6051
Letter carriers, salaries of, 580, 1474, 1805, 2244
Mail carriers, 2243-4, 2708
Mail clerks, French-speaking, 5272
Mail contracts, 3635
Mail matter for soldiers, 3644
Mails, misuse of, 893, 1027
Parcel post, 2072, 3634, 3639
Prisoners of war, to, 3958
Postal clerks salaries, of, 2708, 3639
Railway mail service, 2244, 3650, 4102, 6051
Registration of mail matter, 668
Rural mail service, 3634, 5898
Carriers, 2247, 3634, 3636, 3643
Routes, number of, 2247
Signs, printing of, in French and English, 5999

Potatoes. *See* Agriculture *and* Food products

Power, Mr. William (Quebec, West)
Military Service, 2805

Pratt Brothers, payments to, 1570

Press censorship, 3503, 3654, 3718, 3881, 3995, 4059

Prices, fixing of. *See* Criminal Code Amendment Bills, Food *and* Cold storage

Prince Edward Island
Car ferry, 2205, 2304
See also Steamship services
Enlistments from, 241, 4563
Freight, handling of, 1037
Military organization, 5422
Payments to under Agricultural Instruction Act, 455
Public works. *See that title*
Steamship service, 660, 3389

Prince Edward Island Railway. *See* Canadian Government railways

Prince Rupert, shipbuilding at, 4787

Princess Louise Fusiliers, 5271

Printing, Government, 3737

Prison Labour, utilization of, 6036, 6040

Prisoners. *See* Penitentaries *and* War

Private Bills, discussed
Aerial League of the British Empire, 3633
Alliance Nationale, 1547
Bishop of Mackenzie River, 868
Breidert and Mudge Patents, 1199
Canadian Association of Stationary Engineers, 1198
Cascade Scenic Railway Company, 4365
Gordon Divorce Bill, 5496, 5541, 5902
Grain Growers Grain Co., Ltd., 1110
Grand Trunk Pacific Branch Lines Company, 1373
Imperial Order Daughters of the Empire and the Children of the Empire (Junior Branch), 5495
Mount Royal Tunnel and Terminal Co., 1110
Toronto, Hamilton and Buffalo railway, 2590, 2609, 3865, 3955, 3980
United Grain Growers Limited, 893

Privilege, questions of
Barrette, Mr.—statement in Halifax Chronicle, 3352
Blondin, Hon. P. E.—statement in Ottawa Evening Journal, 339
Boulay, Mr.—statement in Ottawa Citizen, 2776
Bureau, Mr.—statements in Montreal Gazette, 2709, 4730
Burnham, Mr.—correction of remarks in Hansard, 869
Clark, Mr. Michael—statements in the press, 3617
Descarries, Mr.—vote on Military Service Bill, 3846
Graham, Mr.—statement of Mr. R. B. Bennett, 804, 869
Hazen, Mr.—statement by Mr. Pugsley, 5274
Hughes, Sir Sam
Statement of Mr. Mark Irish, 2707
Statement of Mr. A. K. Maclean, 2777
Statement of Mr. Currie, 5773
Knowles, Mr.—statement in Toronto Telegram, 5085
Lafortune, Mr.—Ottawa Journal-Press, 3085
Laurier, Sir Wilfrid—statement of Sir Clifford Sifton, 4009
MacNutt, Mr.—Ottawa Journal-Press, 3656
Mondou, Mr.—statement in Montreal Gazette, 3004
Neely, Mr.—statement by Sir Clifford Sifton, 5774
Oliver, Hon. Frank—statement in L'Evenement, 434
Pugsley, Hon. William
Mr. Justice Landry, 3109
Statements of the Prime Minister, 3609

Privilege, question of—*Con.*
Statement in Toronto Star, 4959
Newspaper reports, 5273
Rogers, Hon. Robert—Ottawa Citizen editorial, 599
Sévigny, Hon. Albert—statement in Montreal Gazette, 2058
Sinclair, Mr.—statements in Ottawa Journal, 4927
Taylor, Mr. J. D.—remarks of Mr. Thomson, 1370
White, Sir Thomas—Toronto Globe editorial, 2707
Wilcox, Mr.—statement in Toronto Globe, 47

Prohibition or Restriction of the sale and use of Intoxicating Liquors Act Amendment Bill. 1r., 4192. 2r., com., 4395. 3r., 4405. *See also* Intoxicating liquors, Canada Temperance Act *and* Provincial prohibitory legislation

Proportional representation, 902

Proulx, Mr. Edmond (Prescott)
Boyce, George H., 1472
Canadian Association of Returned Soldiers, 4951
Canadian Northern railway, acquisition of, 5075
Cox, John, 1472
Criminal Code amendments, jurors, 4305
Customs Department, motor car for, 1476
Dillon, Major G. P., 1958
Georgian Bay Canal Commission, 5913
Gibson, Lieut. Wm., 5422
Grain for breweries and distilleries, 1179
Grilse, steamer, 4563
Hants county apple inspectors, 1380
Harris, Capt. R. V., 5422
Hughes, Brig.-Gen. W. S., 5361
Interprovincial bridges, 3890
Jaffray, Mr. J. P., 4062
Knight, Mr. N. H. R., 4952
Laurentian, steamer, 4563
Macpherson, Capt. Kenneth C., 4292, 4416, 4685
Magladery, Mr. Thomas, 4685
Military service, 3056
Exceptions, 3563
Exemptions, 3189, 3192, 3366
Militia Department automobiles, 3903
National Organization for War, 4685
Nixon, Mr. A. W., 6067
Overseas Military Forces, Minister of, 4431, 4449
Pensions, 6005
Quebec railways, 5474
Salter, R. J., 1472
Senate, the, proposed change in constitution of, 1144

Proulx, Mr. E.—*Con.*
Spence, Andrew, 1472
Steamer C. E. Tanner, 5362
Taylor, Lt.-Col. J. D. M.P., 986
Tremain, Lieut.-Col. H. B., M.P., 608, 1472
War supplies—hay, 338
War-time Elections Bill, 5623, 5669, 5829
Webb, Lieutenant, 4563
Wood, Lieutenant, 4563

Provincial governments, duties payable by, 2119, 2129

Provincial prohibitory legislation. Bill in aid of, 1r., 4192; 2r. and Com., 4395; 3r., 4405; Senate amendments, 5514
See also Intoxicating liquors, Prohibition *and* Canada Temperance Act

Public health, proposed department of, 992

Public Service Committee, recommendations of, 3633

Public Service Loan Bill. Res., 242. 1r., 353. 2r., 435. Com., 435. 3r., 476

Public Works
Buildings
Alberta, 5312
British Columbia, 1126, 5312
Generally, 4147, 5314
Manitoba, 5311
Nova Scotia, 4145
Ontario, 4146, 5309, 5412. *See* Ottawa
Quebec, 1935, 4145, 5309
Saskatchewan, 4146, 5312
Department
Automobile, purchase of, 2480
Estimates, 652, 1935, 3867, 3882, 4145, 4181, 5096, 5304, 5314, 5362
Staff and salaries, 3893, 5104
Dredging
British Columbia, 5359
Dredge Cape Breton, loss of, 596, 668, 1024, 3881
Dredge No. 6, 5404
Generally, 5096
Manitoba, Saskatchewan and Alberta, 3887
Maritime Provinces, 5359
Ontario and Quebec, 3886, 5359
See, under this title, Harbours and Rivers
Dry docks. *See* Dry Docks Subsidies Act Amendment Bill
Expenditure 1916-17, 1038
Harbours and Rivers
British Columbia, 3885, 5304, 5357
Manitoba, 5356
New Brunswick, 3872, 4185, 5347, 5411, 5890
Nova Scotia, 3866, 5314

Public Works—*Con.*
Ontario, 3883, 5355
Prince Edward Island, 3871
Quebec, 3879, 5353
See Quebec Harbour Advances Bill
Saskatchewan and Alberta, 3884
See, under this title, Dredging
Roads and bridges, 3888, 5360
Wharves, 1943

Publication Committee, 5791

Pugsley, Hon. William (St. John City)
Address in reply to the Governor General's Speech, 286
The political situation, 286
Returned soldiers and political patronage, 287
Administration of military affairs under late Minister of Militia, 287
Utilization of our natural resources, 291
Shipbuilding, 292
The Dorchester campaign, 293
Canada's naval policies, 293
Extension of term of Parliament, 293
Imperial War Conference, 294
Army
Desertions, 3111
Discharges, purchase of, 3112
Enlistments, 2647
Soldiers
Returned, employment of, 3846, 6057
Voting of, 2651, 4689-4736, 4740-4786, 4808-4834, 4874-4887, 4889-4914
165th Regiment, 1725
Bathurst harbour improvements, 3872
Budget, 863, 870
Trade conditions, 863
Free wheat, 864, 870
The Minister of Inland Revenue, 879
Amendment of Mr. Turriff, 881
Canadian Government railways
Branch lines, 2228, 2232
Cars for, 4928
Employees, promotion of, 762
Intercolonial railway
Coal, freight rates on, 3511
Maritime Express service, 8
Passenger service, 2207
Canadian Northern railway, acquisition of, 4230, 4248, 4486, 4837, 4990-5015, 5108
Capital punishment, 631
Civil servants, enlisted—pay and separation allowances, 664, 2252
Civil Service
Officials, proposed dismissal of, 3633
Salaries, 1791, 2012

Pugsley, Hon. W.—*Con.*
Coal
Prices and supply, 665, 2092
Maritime Provinces, in, 4063, 5085
Transportation of, 4138
Coastal regulations, 1912
Conscription, 1555
United States citizens, of, 1743
Criminal Code amendments, jurors, 4293, 4334
Customs, duties payable by provincial governments, 2121, 2133
Daylight saving, 2945
Divorced persons, re-marriage of, 46, 1383, 1524
Dominion Lands Act Amendment, 3796
Dredging, 5096
Drill halls, control of, 4146
Dry docks, 4455, 5772, 5888, 5917
Fish and fisheries
Licenses, 2150
Lobsters, 4171
Sardine fisheries, 4168
Flint, Dr., retirement of, 6044
Food control, 2091
Free wheat, 864, 870
Fuel, 1421
Game in the Northwest, 3670
Grosse Isle quarantine station, 5306
Hansard, correction of statement in, 6067
Members' sessional indemnity, 6048
Morning sittings, 2619
Stenographers, 5788
Hudson Bay railway, 5086
Immigration, 2141, 2146
Imperial Munitions Board, imports, 1978
Imperial War Conference, visit of Prime Minister to, 1551
Indian lands, 1908
Insurance, 3849, 3864, 4138, 5198
Landry, Mr. Justice, findings of, 3109, 3609, 5265
See under this title, McLeod-Tellier
Lighthouse keepers' salaries, 6049
Live stock exchanges, 5504
Loans to farmers, 1962
Loans, public ($100,000,000), 342
Mail contracts, 3635
McLeod-Tellier Commission, 5245, 5265
See under this title, Landry, Mr. Justice
Military Service, 2642, 3254
Appeals, 3175, 3181
Classes, 3144, 3287
Definitions, 3111
Enforcement, 2651
Enlistments, voluntary, 2647
Exemptions, 3209, 3213

Pugsley, Hon. W.—*Con.*
Militia Act, 2643
Persons liable for service, 3123
Referendum, 2651
Soldiers, voting of, 2651
Tribunals, 3164, 3574
National Service Commission, remuneration to officials of, 309, 457
Newspaper reports, correction of, 5273
Order of the day, reinstatement of, 2877
Ottawa public buildings
Rents paid by Government, 4149, 5097
Telephone service, 4147
Overseas Military Forces, Minister of, 4446
Packages, marking of—inspection and sale,—4065
Parcel post, 2072
Parliament, extension of term of, 3468, 3475
Parliamentary secretaryships, 4452
Peace proposals, 300
Potatoes, removal of duty on, 703
Provincial legislators, free transportation for, 684
Public Works Department
Estimates and expenditure, 3871, 5414, 5306, 5413
Quebec, railways, operating expenses of, 5452
Railway Act, The, 606
Railways, material for use in France, 1826
St. John harbour improvements, 3875, 5349, 5413
Shipbuilding, 665, 703, 1371, 1551, 1775, 1912-1928, 2293, 5432-5452
Soldier Settlement Board, 3618
Steamship services, 2292
Supply, voting one-sixth for 1917-18, 2946
Supreme Court, allowances to Chief Justice, 6050
Taxation
Business profits, 1636
Income, 4089
Wealth, 3471, 3475
Telegraph and telephone service, 5364, 5401
Toronto, Hamilton and Buffalo railway, 2616
Toronto News, statement of, 4959
Vancouver harbour improvement, 5304
Volunteers to operate trains in France, position of, 5123
War charities, 5482
War supplies
Munitions, 5527
Ross Rifle, 501
War-time Elections Bill, 5629, 5640, 5657, 5751-5771

Pugsley, Hon. W.—*Con.*
Wealth, conscription of, 3471, 3475
Woman suffrage, 309, 672, 759, 1482, **1521**, 1594 1627, 4958

Pugsley, Lieut. J. A., position of, 4895

Pulp and paper
Newsprint, fixing of price of, 1302

Quarantine service, 3756

Quebec (City)
Firearms in hardware stores, 5083
Harbour master, 897
Immigration agents, 5122

Quebec (Province)
Bridges, 3889
Electoral lists, 6002
Judges' salaries, 5798
Military districts Nos. 3 and 10, 455
Public Works. *See that title*
Recruiting in, 94, 112, 119, 127, 147, 160, 185, 213, 221, 342, 363, 2398, 2424, 2515
Officers, recruiting of, 3135
See Military Service Bill *and* French Canadian

Quebec Montmorency and Charlevoix Railway, completion and operation of, 4948, 5452

Quebec and Oriental railway, 1674

Quebec and Saguenay railway
Bondholders, 669
Completion and operation of, 303, 668, 1575, 4948, 5452
Expenditure, 1658
Legislation concerning, proposed, 458

Quebec Harbour Advances Bill. Res., 435. 1r., 438. 2r., 577. Com., 577. 3r., 578

Quebec Harbour Commission, 436

Racing Form, The, exclusion from mails of, 306, 336, 896

Racing meets, limitation of. *See* Criminal Code Amendment Bills

Radiotelegraph service. *See* Telegraphs, *also* Ocean Telegraph Act

Railway Act Amendment Bills
1. Bill No. 13, Mr. Cochrane, general. 1r., 194; 2r., 602; special committee, 602; motion to amend, stands, 605; com., 3420, 3511, 3592, 3716; 3r., 3740
2. Bill No. 18, Mr. McCraney, free transportation for provincial legislators. 1r., 300. 2r., 685. Ref. to Railway Com., 685

Railway Commission, 1862, 3407

Railway mail clerks. *See* Post office

Railways
Alleged advance to Company, 2100
Bridges, 3889

Railways—*Con.*
Cattle getting on tracks, **3549**
Coal
Confiscation of, by, 584
Handling of, by, 3395, 3402
Constables, 3599
Employees, payment of salaries of, 5956
Expenditure on, 2233
Fires from locomotives, 3552, 3602
French language, printing of literature in, 3511
Material, removal of to France, 310, 335, 1229, 1266, 1372, 1473, 1474, 1615, 1628, 1690, 1820, 3407, 3409, 5293
Overdue trains, notice of, 3594
Situation, 2219, 2221, 4011, 4058, 4217, 4247, 4467, 4512, 4566, 4622, 4835
Cost of inquiry into, 3408
Traffic, congestion of, 587
For Canadian Government railways, see that title
For individual railways, see their titles

Railways and Canals
Department
Estimates, staff and salaries, 2202, 3385, 3402, 4925, 4928, 5428
Steamers purchased by, 669

Rainbow, His Majesty's Canadian Ship, 457, 1472
See Naval Service

Rainville, Mr. Joseph H. (Deputy Speaker)
Emigration to the United States, 3285
Military service
Classes, 3285
Exemptions, 3189, 3194, 3218
Farmers, of, 6002
See Deputy Speaker

Ralston, Major J. L., position and pay of, 6067

Rankin, Captain Ramsay, position of, 987

Recruiting. *See* Army
For recruiting by localities, see names of localities

Reid, Hon. J. D. (Minister of Customs)
Canadian Government railways
Intercolonial, management of, 769
Passenger service, 2207
Promotion of employees, 769
Quebec, 4948, 5452, 5458
Civil Service appointments, 644, **1023**
Coal, confiscation of by railways, 585
Customs
Crown goods, duties payable on, 1978-1985, 2119
Departmental estimates, staff and salaries, 643, 1843, 1881, 5098, 5777
Disposal of unclaimed goods, 3743

Reid, Hon. J. D.—*Con.*
Imperial Munitions Board imports, 1978
Montreal collectorship, 648
Revenue cruisers, 1882
Dredging, 5096
Dry docks, 5771
Flint, Dr., retirement of, 6044
House of Commons—sessional indemnity of Members, 6047
Naval Service Department estimates, 660
Pensions, 6004, 6533
Public Works Department estimates, 5104, 5304, 5314, 5362
Railway Act Amendment Bills, 5997
Schaffner, Mr. L. P., dismissal of, 440
Shipbuilding, 5440, 5453
Spittal, Major, dismissal of, 646, 651
Telegraph and telephone lines, 5362
Reid, Lance Corporal, allowances to, 717
Renault, Raoul, appointment of, 2361
Repatriation of Canadians, 803
Research Council Bill. 1r., 2357. 2r., 3905. Com., 3909. 3r., 3957
Restigouche river, bridging of, 988
Returns, complaints of delay in bringing down, 1373
Rhodes, Hon. Edgar N. (Cumberland). *See* Speaker
Richmond county medical officers, 3758
Rideau canal
Lighting of, 1939
Pretoria Avenue bridge, 4926
Rimouski
Medical officers, 4509
Public works engineer, 4244
Recruiting officers, 456
Riou, Mr. C. S., payments to, 3904
Riviere du Loup-Tadoussac ferry, 452, 2358
Riviere Ouelle-Murray bay steamship service, 643
Robb, Mr. James A. (Huntingdon)
Bags, duty on, 1867-1881
Bran and middlings, duty on. 1867-1881
Budget, 969, 1317, 1319
Tariff changes, 969, 971
Free wheat, 970
Duty on mill feeds, 971
Canadian Northern railway, acquisition of, 5055
Farm labour, 3509
Free wheat, 970
Grain for breweries and distilleries, 1182
Harbour facilities, 4190
Live stock exchanges, 5507
National Transcontinental freight rates 3394
Rural mail service, 3641
Taxation—income, 4106
Robb, P. A., employment of, 1572
Robidoux, Mr. Ferdinand J. (Kent, N.B.)
Military service, 2703
Authority of Parliament, 2703
Enlistment in Quebec, 2704
Telegraph and telephone lines, 5380
Robinson, Captain J. T., appointment of, 1377
Roche, Hon. W. J. (Minister of the Interior)
Agricultural labourers from the United States, 1194
British Columbia Indian Commission, 653
Dominion Lands Act Amendment Bill, 159, 2832, 3793-3817
Farm labour, 3507
Frank, Alta., moving of residences at, 4919
French-Canadians in the United States, 4914
Game in the Northwest, 3665, 4659
Homestead regulations, 1741, 1747
Immigration
Agents, 1738
Chinese, 843, 2139
Department estimates, 4914
Regulations, 449, 525
Indians, 2340, 2349
Department estimates, 1886
Sydney reserve, 3663
See Indians
Interior Department
Employees, political activities of, 2350
Estimates, 652, 1344, 1735
French-speaking employees of, 2341
Orders in Council relating to, 6000
Migratory birds, 2525, 3657
Seed grain collections, 2352
Soldier Settlement Act, administration of, 4917
Soldier Settlement Board, 686, 1157, 2653, 3618, 3779
Surveys, 1345, 1735
United States' head tax on Canadians, 892
Rogers, Lt.-Col. Maynard, salary of, 1818
Rogers, Hon. Robert (Minister of Public Works)
Dry docks, 4456, 5915
Ottawa Citizen, statement of, 599
Public works
Buildings, 4145, 4181
Department: estimates, staff and salaries,, 3866, 3882, 3893, 4145, 4181, 5104
Harbours and rivers, 3866, 3882, 4187
Roads and bridges, 3888
Resignation from the Cabinet, 4736
Ross, Mr. Duncan C. (West Middlesex)
Army
Officers, surplus, 3104
Soldiers, votes for, 1393
Substitutes, buying of, 3113

Ross, Mr. D. C.—*Con.*
Food control, 3045
Assistants to Food Controller, 4244
Industrial and scientific research, 5284
Military service, 3041
Army Act regulations, 3113
Exemptions, 3224
Persons liable for service, 3126
Tribunals, 3170
Taxation
Income, 4652
Wealth, 3045
Unclaimed bank balances, 1001
War supplies, horses, 453
War-time Elections Bill, 5677, 5687
William Davies Co., 4151

Ross rifle. *See* War supplies

Rouville county mail carrier, 608

Roy, Judge L. R., payments to, 1130

Royal Assent, The, 603, 3766, 5084

Royal Astronomical Society of Canada, 5304

Royal Military College, 5310

Royal Mint, Ottawa branch, 1474

Royal Naval College, 4163

Royal Northwest Mounted Police
Pensions, 5704
Salaries and contingencies, 4147
Saskatchewan and Alberta, duties in, 301, 335
Subsistence, etc., 4667

Ruisseau le Blanc breakwater, 898

Russell, Mr. T. A., purchase of motor trucks by, 266, 280

Salt. *See* Fish

Salter, R. J., payments to, 1472

Sand Point wharf, 5316

Sauve, Pte. James, application of for pension, 5776

Savings banks, deposits in, 4685

St. Charles de Caplan wharf, 898

St. Charles river dam, 2525

St. Jerome post office, 899

St. John and Quebec Railway Act Amendment Bill. 1r., 2433. 2r., Com., 3r., 3401

St. John harbour improvements, 3875, 4185, 5347, 5411, 5890

St. Lawrence Flour Mills Company, Government contracts with, 4509

Sainte Luce. Changing of name, 673

St. Maurice river improvements, 1381

St. Peter's canal, 3406

St. Pierre-Miquelon mail service, 3649

St. Roch Traverse lightkeeper, 1378

St. Romuald public works, 1129

Schaffner, Mr. F. L. (Souris)
Army, enlistment of unfit men, 4004
Canadian Northern railway, acquisition of, 5061
Cattle, British embargo on, 918
Civil Service, 2246
Daylight saving, 3683
Flour prices, 5214
Grain, rust in, 2067
Military service, exemptions, 3365
Ottawa public buildings, 4150
Public health, 1001
Rural mail carriers, 2247
Taxation
Farm implements, 1713
Income, 4096

Schaffner, Mr. L. P., dismissal of, 438

School lands, western, 1378

Scientific and Industrial research. *See* Research Council Bill

Scotch Hill post office, 3649

Scout, motor boat, 5271

Scott, Mr. F. S. (South Waterloo)
Budget, 884
Canada and the war, 885
Free wheat, 885
Present prosperity, 886

Secretary of State, Department of the, estimates, 655, 3737, 5242

Security Life Insurance Company Bill. 1r., 2479. 2r., 2592. Com., 3r., 2857

Seed grain, 302, 303, 305
See Grain

Seguin, Mr. Paul A. (L'Assomption)
Enlistments, 1476, 1572
Military Service Bill, 2765

Senate
Appointments to, 924
Hansard, cost of, 1571
Proposed change in constitution of, 1131
Taxation measures, precedent in amendment denied, 5480, 5883

Sévigny, Hon. Albert (Minister of Inland Revenue)
Army camps, sale of liquor in, 837
Inland Revenue Department
Estimates, 2360, 3817
Expenditure, 2379
Military service, 2636
Exceptions, 3572
Quebec, recruiting in, 2638, 3256

Sévigny, Hon. A.—*Con.*
Privilege—statement concerning effects removed from Speaker's chambers after Parliament Buildings fire, 2058
Renault, Raoul, appointment of, 2361
Telegraph and telephone lines, 5385, 5391
Sexsmith, Mr. John A. (East Peterborough)
Agriculture and Colonization, report of Committee, 1956
Railway Act, The, 3443, 3543, 3546, 3605
Telegraphs and telephones, 3543, 3546
Shaw, F. D., dismissal of, 1847
Sherbrooke exhibition grounds, 302
Shigawake post office, 898
Shigawake East post office, 988
Shipbuilding
British Government, for, 4164
Canadian-built ships, 591
Prince Rupert, at, 4787
Railway Department, for, 4939, 5429
See Marine
Shipping. *See* Marine *and* Transportation
Shore, George, suspension of sentence on, 1373
Sinclair, Mr. John H. (Guysborough)
Address in reply to the Governor General's Speech, 150
The fiftieth anniversary of Confederation, 150
The winning of the war, 151
Canadian soldiers at the front, 152
Military record of the Government, 152
The Ross rifle, 154
Political patronage, 154
Commandeering of ships, 155
Small arms ammunition, 156
Extension of term of Parliament, 157
Army
Casualties, July, 1917, 4151
Enlistments, July, 1917, 4151
Medical service, 3969
Officers, surplus of, 3102
Recruiting, 2884
Soldiers, age of on enlisting, 4001
Canada Temperance Act, 5243
Canadian Government railways, ice for, 301
See, under this title, Intercolonial
Canadian Northern railway, acquisition of, 4600, 4872, 5061
Civil servants, enlisted, pay and separation allowances to, 663
Civil Service, 649
Appointments under sec. 21, 607, 1023, 1351, 1937
Coalition government, 2887
Customs Department staff, and expenditure, 649, 1845

Sinclair, Mr. J. H.—*Con.*
Dredges, 668, 1025, 5405
Fish and fisheries
Advisory Board, 2152
Bounties, 457
Development of industry, 2040
Exports, 454
Investigation of problems, 5288
Laws, violation of, 2389
Lobsters, packing of, 5427
Marketing, 2042
Salt, 1027, 2044, 2290
Telephone method, 2176
Transportation, 3392, 4933
Trawlers, 300
Food inspectors, 607
Government Railways Act amendment, 4371
Grain, seed, 4680
Guysborough public building, 5914
Heatherton mail contract, 1817
High cost of living, 707
Hudson Bay railway expenditure, 596
Immigration regulations, 312, 525
Inland Revenue Department officials, 758
Intercolonial railway
Appointment of officials, 658
Branch lines, 3386
Tracadie siding, 2618
Intoxicating liquors, prosecutions for sale of, 1575
Manitoba County Court judges,, 5083
Margaree harbour improvements, 5332
McCutcheon, Stanley, dismissal of, 306
Migratory birds, 3661
Military District No. 6, 5236
Military service
Appeals, 3179
Classes, 3141
Referendum, 2881
Tribunals, 3157
Military Voters' Bill, 4694, 4726, 4728, 4758-4786
Navigation, training in, 1839
Nickerson, W. H., 1472
Nova Scotia judges, 6003
Ottawa Journal, statement in, 4927
Overseas Military Forces, Minister of, 4445
Parliament, extension of term of, 157
Pensions, 6030
Political patronage, 154
Pollution of streams, 454
Public Works Department estimates, 3868, 3874
Quebec and Saguenay railway, 668
Quebec harbour advances, 437
Railway Act, The, 3526, 3529
Railway Commission, appeals from, 1863
Rainbow, steamship, 1472

Sinclair, Mr. J. H.—*Con.*
Returns, delay in bringing down of, 1373
Ross rifle, 154, 425, 451
Rural mail service, 5898
St. John harbour works, 5896
Salt for fish curing, 1027, 2290
Sand Point wharf, 5316
Savings banks deposits, 4685
Shipbuilding, 1671, 1923, 5434, 5452
Small arms ammunition, 156, 2480
Soldiers, returned, appointment of, 6059
Soldier's Cove wharf, 5337
Sonora preventive officers, 4244
Steam trawlers, 300
Steamship services, 2288, 2300
Steele, Arthur, dismissal of, 338
Submarine situation, 1328
Superannuation payments, 595
Technical education, 1247
Telegraph and telephone lines, 5371
Toronto water-borne traffic, 454
Tracadie Inland Revenue officer, 1817
War-time Elections Bill, 5567, 6081
Welland canal, 3404
Wells, Clarence, 2480
White, N. W., payments to, 1038
Whitehead life saving station, 1469

Small Arms Ammunition. *See* War supplies

Smith, Pte. J. I., discharge of, 3418

Smith, Mr. William (South Ontario)
Army, casualties, 2201
Cattle, British embargo on, 923
National Service cards, 2479
Railway Act, The, 3442

Smith's Falls postmaster, 1570

Soldiers. *See* Army

Soldiers' Settlement Board
Advances to soldiers, 4918
Commissioners, 4917

Soldier Settlement Board Bill. Res., 1157, 2653, 3618. 1r., 3630. 2r., 3779. 3r., 3792

Sonora preventive officers, 4244

Sorel, strike at, 1912, 1935

South African War—Canadian contingent, 2200

Speaker (Hon. Edgar N. Rhodes), rulings and statements of
Adjournment motions, when in order, 5517, 5547
Amendments ruled out not subsequently debatable, 1686
Bills
Not debatable in detail on motion for leave to introduce, 4410
Printing of in both languages, 5550

Speaker—*Con.*
Censored publications, quotations from in Parliament, 5944
Closure
Bill reported amended, amendments not debatable; Rule 17A overrides Rule 56, 5771
Concurrence in resolution of Committee of Supply not debatable, 5095
Crown property, Bills to dispose of, must have Crown's consent, for third reading, 1157
Flint, Dr., retirement of, 6044
House of Commons
Estimates, 2359, 5784
Officials, 5786
Interjections, 2596
Irrelevancy, 444, 5478
Language reflecting on the Chair to be withdrawn, 2567
Letters from persons outside referring to House proceedings not to be quoted, 3956
Member must take his seat when Speaker addresses House, 4410
Motions dealing with questions already before House, 1017, 1022, 1150
Motions, irregular
Repetition of matters disposed of, 1867
Substantial repetition of notice of motion standing on order paper, 1490, 1508, 1523
Taxation, to levy, without recommendation by the Crown, 3078, 4648
Order of the day, reinstatement of, 2878, 2880
Orders of the Day, on, extended remarks irregular, 665, 804
Petitions, form for presentation of, 2284
Privilege, statements under to be confined to denial of matters complained of, 599, 3612, 3614, 3616
Questions and answers
Answers not debatable, 4959
Questions not to contain allegation of fact or inuendo, 4834
Quorum, absence of, 2877
Reply, privilege of, confined to mover of substantive motion, 1880
Order of speakers varied by unanimous consent, 1015
Rules, lenient interpretation not to establish a precedent, 3078
Saturday sittings, Committee of Supply, how constituted (Rule 17C), 5891
Senate proceedings, regularity of not to be questioned in House, 5498

Speaker—*Con.*
Taxation, amendment by Senate of a Bill; rights of House to be reserved by special declaration, 5480, 5883
Unanimous consent; change in order of Speakers permitted, 1015
Unparliamentary expressions
"A man who was ashamed, Sir, of what he was doing," 5587
"Vile motives," 4313
Votes and Proceedings, error, not immediately discovered, referred to special committee, 2880
Ways and Means, amendment to second reading of resolution reported from Committee must be relevant, 1686
See also Deputy Speaker *and* Parliamentary procedure

Spence, Andrew, position of, 1472

Spittal, Lt.-Col. C. D., dismissal of, 645, 651, 1127

Spotten, Judge, 1127

Stanfield, Mr. John (Colchester)
Army
Camps, sale of liquor in, 823
Medical service, 3984
Government railways, promotion of employees, 765

Stayner public building, 5412

Steamers utilized by British Government, the C. E. Tanner, 5362

Steamship services
Australia and New Zealand, 2285
Canada
British Columbia, 2299
Magdalen Islands, 2302, 2326
New Brunswick, 2292, 2297, 2323
Nova Scotia, 2286, 2299, 2300, 2304, 2319
Prince Edward Island, 2303, 2319, 3389, 3945
Quebec, 2299, 2318, 2325
China and Japan, 2298
France, 2307
Great Britain, 2285, 2291, 2297
Ireland, 2292
Newfoundland, 2286, 2291
South Africa, 2291
South America, 2287
United States, 2299
West Indies, 2287
See also Transportation

Steam trawlers. *See* Fish and Fisheries

Steele, Arthur, dismissal of, 338

Steele, General, appointment of, 264

Steele, Mr. Michael (South Perth)
Aerial League of the British Empire, 3633
Alcohol, on charge to medical stores, loss of, 2776
Army, soldiers, voting of, 1383, 4825
Canadian Association of Stationary Engineers, 1198
Cheese purchases, 2258
Coal, shortage of, 83
Cold storage, 2079
Gordon Divorce Bill, 5496
Imperial Order Daughters of the Empire, 5495
Public health, proposed department of, 992
Railway Act, The, 3442, 3452
Scientific and industrial research, 3909

Stefansson expedition, 4173

Stellarton, N.S.
Postmaster, 669, 897, 3758
Public building, 4951

Stevens, Mr. H. H. (Vancouver)
Address in reply to the Governor General's Speech, 62
Our troops at the front, 62
Reply to criticisms of Mr. Macdonald, 62
The Ross rifle, 63
National Service Commission, 64
The smelting and refining of ores, 66
Care of returned soldiers, 67
Army, soldiers, voting of, 4749
Canadian Northern Railway acquisition of, 4965
Enlistment, 2421-2428
Fisheries, proposed ministry of, 2029
Grain for breweries and distilleries, 1182
Indians, Kitsilano Reserve, 1902
Military Service, 2421
Enlistment, interference with, 2421
Labour's attitude, 2426
Quebec's attitude, 2424, 2428
Referendum, 2427
National Service Commission, 64
Ross rifle, 63
Shipbuilding, 5445
Telephone lines, 5402
Wealth, conscription of, 2427
Woman suffrage, 1522

Stewart, Mr. T. J. (West Hamilton)
Toronto, Hamilton and Buffalo railway, 2590, 2609, 3865, 3955, 3980
Tractor engines, duty on, 680

Submarine situation, 1320

Sulphur, United States embargo on export of, 4889

Superannuation payments, 595

Supply Bill. *See* Appropriation Act

Supply, committee of, 353, 578-584, 643-663, 1112-1124, 1166-1176, 1344-1361, 1735-1766, 1790-1815, 1835-1862, 1881-1912, 1912-1956, 1989-2006, 2061-2099, 2149-2183, 2202-2235, 2255-2282, 2285-2320, 2323-2364, 2359-2388, 3385-3399, 3402-3417, 3633-3654, 3687-3716, 3737-3740, 3740-3757, 3817-3844, 3866-3881, 3882-3902, 3949-3955, 3962-3979, 3980-4008, 4044-4058, 4145-4150, 4157-4191, 4666-4684, 4914-4926, 4928-4951, 5098-5108, 5205-5242, 5242- 5270, 5275-5314, 5314-5360, 5362-5415, 5428-5474, 5777-5805, 5890, 5892-5900, 5948, 5997, 6004-6060
For details see titles of departments and subjects

Supreme Court Act and Exchequer Court Act amendment Bill. 1r., 2568; 2r., Com., 3r., 3630

Surveys, 1345, 1357
Astronomical, 4917
Generally, 1345, 1357, 3898
Geological, 4179
Hydrographic, 4173
Indian Lands, 1894
International, 1735

Sutherland, Mr. Donald (South Oxford)
Army camps, sale of liquor in, 829
Coalition government, 2690
Flour, price of, 1080
Live stock purchases, 2280
Military service, 2682
Classes, 3282
Quebec, recruiting in, 2685
Referendum, 2692
Railway Act, The, 3545, 3547
Railways, government operation of, 2234
Rural mail carriers, 3636
Soldier Settlement Board, 3786
Soldiers, behaviour of, 5234
Soldiers, votes for, 1395
Telegraphs and telephones, 3545
War-time Elections Bill, 5685, 5860
Women Suffrage, 1477

Swiss Army manoeuvres, attendance of Canadian officers at, 5219

Sydney
Harbour improvements, 5342
Industrial sites, 3956

Tanner, C. E., Steamer or Motor Boat, 5362

Tariff. *See* Customs *and* Customs Tariff Act

Taxation. Senate amendment of taxation measure no precedent, 5476
Special
Business profits, 719, 727, 737, 745, 750, 959, 965, 1432, 1437, 1447, 1628, 2107
Comparative statement, 2508
Cost of collecting, 4686

Taxation—*Con.*
Returns of business concern, 4245
See Wealth, Conscription of
Income, 719, 738, 1424, 1441, 1631, 1687, 3760, 3767, 4070, 4102, 4124, 4638
Cost of collecting estimated, 468f
See also Income War Tax Bill
Land, 1630
Hudson's Bay Co., lands, 986
Patent medicines, 363
Use made of funds obtained by, 4177
Wealth, 2453, 2469, 2508, 2528, 2576, 2587, 2597, 2608, 2671, 2728, 2859, 3045
See Wealth, Conscription of

Taylor, Mr. James D. (New Westminster)
Army
Medical service, 3981
Non-commissioned officers, 1608, 3999
Officers, employment of, 565
Recruiting, 565
Soldiers
Pensions, 1607
Voting of, 4703, 4757-4786
Fraser river dredging, 5357
Hindu immigration, 2145
Military service, 3145, 3275
Thomson, Mr. Levi, reply to statement of, 1370

Taylor, Lt.-Col. J. D., M.P., payments to, 986

Technical Education, 1229
See Industrial and Scientific Research.

Telegraphs, telephones and radiotelegraphs
Government lines
Alberta and Saskatchewan, 3892, 5393
British Columbia, 3893, 5365, 5395, 5410
Manitoba, 5411
Magdalen Islands cable, 5407
New Brunswick, 5379
Nova Scotia, 5362
Prince Edward Island, 5407, 5411
Quebec, 5384
Telephones for, 4147
Ocean service, 2024, 2108
Provisions governing, 3542, 3546
Radiotelegraph service, 4159
Subsidies, 3892
West India cable, 2339

Temiscouata mail contract, 335

"The Fiddlers," circulation of forbidden, 3503, 3654, 3718, 3881, 3955, 4059, 5942

Thetford Mines, labour trouble at, 590, 606, 1113

Thoburn, Mr. William (North Lanark)
Gordon Divorce Bill, 5909
Military service, 3358
Postmasters, salaries of, 3642
Technical education, 1238

Thompson, Mr., of Winnipeg, employment of, 4008

Thompson, Mr. Alfred (Yukon)
Game in the Northwest, 3668
Yukon, cost of living in, 2571

Thompson, Dr. Alfred, M.P., employment and salary of, 5083

Thomson, Mr. Levi (Qu'Appelle)
Army, soldiers' pay, 3216
Budget, 976
The duty on farm machinery, 977
Inequalities in the tariff, 979
Free wheat, 982
Canadian Northern railway, acquisition of, 5143
Dominion Lands Act amendment, 3811
Free wheat, 982
Military service, 2993
Exemptions, 3193, 3225
Railway transportation for Members of Parliament, 3521, 3523
Soldier Settlement Board, 3629

Thornton, Mr. Charles J. (Durham)
Packages, marking of,—inspection and sale,—4066
Railway Act, The, 3544
Telegraphs and telephones, 3544

Three Rivers
Harbour improvements, 3879
Public buildings, 662

Titus, Private John, 2237

Tobin, Mr. Edmund W. (Richmond and Wolfe)
Bromptonville postmaster, 1129
Canadian Northern railway, acquisition of, 5052
Horses for war purposes, 1120
Military service, 2810
Militia Department motor cars, 2525
Ross rifle, 2054
Telegraph and telephone lines, 5388
Wool, exportation of, 1130

Toronto water-borne traffic, 454

Tracadie
Inland Revenue officer, 1817
Railway siding, 2618

Tractor engines, duty on, 674

Trade and Commerce
Agents and commissioners, 2326
Department of
Estimates, 1835, 2285, 2323, 3687, 3737, 5205, 5275
Publications, 5275
Foreign trade
France, 597, 2307
South America, 2331

Transportation
West Indies, 2288
Coal, of, vessels for, 4791
Grain, 3712
Lake and ocean freight rates, 3715
Legislators, for, 4935
Problems, report of Royal Commission on, 1012
Terminal facilities, 4189
See also Marine, Railways, Shipbuilding, *and* Steamship Services

Tremain, Lieut.-Col. H. B., M.P., pay and allowances to, 608, 1472

Trent canal, 759, 2206, 3405, 3417

Trenton, N.S., contractors for war supplies at, 303

Truax, Mr. R. E. (South Bruce)
Brampton-Palestine mail route, 590
Military Service Bill, 3048
Royal Mint, Ottawa branch, 1474

Turgeon, Mr. Onésiphore (Gloucester)
Army—dental corps, 4008
Budget, 1108, 1194, 1201
Government railways, 1108
Canada's prosperity, 1195
Taxation, 1197, 1201
Protection or free trade, 1197
Conservative and Liberal policies contrasted, 1203
Duty on potatoes and flour, 1204
Free wheat, 1205
The shipping industry, 1206
Canadian Northern railway, acquisition of, 5029
Caraquet and South Shore railway, 3387
Flour, duty on, 1204
Free wheat, 1205
Goldman, Mr. I., 4510
Insurance, 4390
Intercolonial railway, operation of, 795
Lobsters, 2050
Military service, 2667
Classes, 3354
Exceptions, 3572
Overseas Military Forces, Minister of, 4434
Potatoes, duty on, 1204
Salt, shortage of, 1319
Senate, proposed change in constitution of, 1143
Shipbuilding, 1931
Shipping industry, 1206
Soldiers, returned appointment of to government positions, 1858
Soldiers, votes for, 1394
Taxation—business profits, wealth, income, 1197, 1201, 2671
War-time Elections Bill, 5557

Turriff, Mr. John G. (Assiniboia)
Address in reply to the Governor General's Speech, 175
The fiftieth anniversary of Confederation, 175
Extension of term of Parliament, 175
National government, 177
Taxation of war profits, 178
The Nationalist party, 179
Recruiting in Quebec, 185
Enlistment of Canadians, 187
The manufacture of munitions, 188
Cost of the war to Canada, 189
Extension of term of Parliament, 189
Increased production, 190
National service, 191
Recruiting from the Civil Service, 192
The Ross rifle, 193
Aliens, naturalization of, 3814
Anderson, Mr. Daniel, 1265
Army
Officers, surplus of, 3103
Rejected men, 3099
Ashcroft mail service, 668
Assistant Deputy Minister of Labour, suspension of, 687
Beans for seed, 1473
Blow, Dr., payments to, 668
Budget, 746
Trade relations with Great Britain, 746
Free wheat, 747, 750
Government expenditure, 747
Taxation of business profits, 750
Revenue of Canada, 755
Canadian Northern railway, acquisition of, 5026
Civil Service
Disfranchisement of Civil servants, proposed, 2020
Recruiting from, 192
Daylight saving, 3684
Dominion Lands Act amendment, 3798
Farm labour for western Canada, 3504
Flour, price of, 1070
Food Control, 1999, 3751
Fuel, 1414
Grain
Breweries and distilleries, for, 1180
Commission, 1381
Elevators, 3707
Grading of, 1265
Rust in, 2063
Wheat
Free, 747, 756
Surplus, purchase of, 1126
United States tariff on, 1342
Hobbs, Mr. Hugh, 1228
Loans to farmers, 1968
Lockhart, Mr. Hugh, 1265

Turriff, Mr. J. G.—*Con.*
Mails, alleged misuse of, 893, 1027
Matthews, Mr. L., 1228
Military service, 3719
Exemptions, 3192, 3272
National service, 191
O'Connor, Mr. W. F., report of, 3751
Palmerston post office, 1127
Parliament, extension of term of, 189
Patent records, 2063
Pensions, revision, 5424
Potatoes for seed, 1473
Proportional representation, 902
Quebec and Saguenay railway, 1658
Railway Department estimates, 3410
Robinson, J. T., 1377
Ross rifle, 193, 489
Saskatchewan coal miners' strike, 3237
Senate, proposed change in constitution of, 1137
Smith, Pte. J. I., 3418
Soldier Settlement Board, 3779
Spotten, Judge, 1127
Taxation
Business profits, 178, 750, 1458
Income, 1463
Tractor engines, duty on, 678
National Transcontinental railway, operation of, 657
War
Prisoners of, parcels to, 3958
Prosecution of the, 1591
War-time Elections Bill, 5711, 5836
Woman suffrage, 1518

Turner, General, appointment of, 268, 279

Turner, Mr. Harvey, position of, 1469

Union Government
See Coalition Government; National Government

United Mines Workmen of Nova Scotia, 802

United States
British subjects in, recruiting of, 2482, 3904
Declaration of war by, 610
Exodus of Canadians to, 3285
Farm labourers from, 665, 1740, 1747, 1193, 4512
French Canadians in, 4914
Head tax on foreigners entering, 892, 1266
Tariff
Changes in, 1264
Wheat, on, 1342
Troops, training of, in Canada, 2482

Universal Radio Syndicate Limited. *See* Ocean Telegraph Act

Urquhart, Mr. Hector, dismissal of, 5367

Vancouver
Dredging in False Creek, 900, 1126
Drill Hall site, 456
Harbour Commissioners, 1575
Harbour improvements, 5304
Venereal diseases, 817, 839, 869
Verville, Mr. Alphonse (Maisonneuve)
Army, soldiers, attendance of, at public meetings, 5231
Assistant Deputy Minister of Labour, suspension of, 686
Canadian Northern Railway acquisition of, 5066
Civil Service salaries, 2245
Cold storage, 2089
Food control, 1989, 2089
High cost of living, 710
House of Commons, sessional indemnity of Members, 6047
Labour
Attitude of on Military service, 2795
Requirements, 2798
Military Service, 2795
Moore, Major Rev. A. H., 1265
Tariff revision, 1789
Taxation, income, 4103, 4121, 4130
Technical education, 1237
Thetford Mines labour trouble, 590, 606, 1120
War-time Elections Bill, 5741
Veterans
Army and Navy, Bill, 5421
Victoria bridge toll rates, 672
Victoria, B.C.
Breakwater, 1381
Victoria Sealing Company, 5958
Viviani, M., visit and address to Parliament of, 1318, 1361, 1362
Votes for soldiers. *See* Army, Soldiers
Voters Lists
Provision for under War-time Elections Bill, 5418
Walsh, J. J., payments to, 1675
War
Charities. *See* Charities Bill
Defence of Canada. *See* Militia and Defence
Expenditure, 274, 354, 386, 408, 476, 522, 525, 549, 718, 2936
See also War Appropriation Bill
Loans, 720, 2774
Minister of Overseas Services, proposed, 277, 279
Pay and Records office, 1355
Prisoners of, 666
Arrangements for exchange of, 4194
War—*Con.*
Money orders for, 714
Parcels for, 714, 3958
Prosecution of the, 2320, 3371, 3375
Motion of Mr. Currie, 1576
Submarine situation, 1320
Taxes
See Taxation
Supplies
Boots, 4062
Clothing, 556, 3556
Davidson Commission, 249
Equipment, 40, 262
Hay, 338
Horses, 453, 1093
Machine guns, 590, 2201
Mattresses and covers, 6065
Methods of purchase, 232, 265
Motor trucks, 262, 266, 280, 558
Munitions, 31, 36, 188, 4928, 5517, 5541
Rifles
Importations of, 1125
Ross, 63, 154, 193, 228, 235, 451, 2451, 3487
Correspondence brought down, 7
Factory, 663, 1265
In Committee (statement by Prime Minister), 388-434; resumed, 477-522
Substitute for, 1012, 1594
Small arms ammunition, 156, 2480
Supplies
Patronage in purchase of, 4050, 4053
Pictou contractors for, 303
Trenton contractors for, 303
Transports, 1280
Transportation of, 33, 36
Trophies, exhibition of, 6003
Wagons, 556
See War Purchasing Commission
War Appropriation ($500,000,000) Bill. Res., 354, 386, 408, 476. 1r., 522. 2r., 525. Com., 525, 549. 3r., 585
War Charities Bill. 1r., 5242. 2r., 5424. Com., 5424, 5481, 6062. 3r., 6065
See also p. 378
War Purchasing Commission, 32, 340
See War Supplies
War Revenue Act
Prosecutions under, 2379, 3835
See Inland Revenue Department, Estimates
War-time Elections Bill. 1r., 5415. 2., 5550, 5565. Com., 5637, 5706. 3r., 5805, 5806
Closure applied, 5565, 5706, 5806

War-time Elections Bill—*Con.*
Amendments proposed: Sir Wilfrid Laurier, 5576; lost on div., 5628. Mr. Pugsley, 5629; lost on div., 5635. Mr. Neely, 5650; lost, 5659. Mr. McCraney, 5659; lost on div., 5660. Mr. Lapointe, lost on div., 5770. Mr. Neely, 5824; lost on div., 5879
Senate amdts., 6071

War-time Elections Act
Female enumerators, 6071
Polling Divisions, 6070
Qualifications of voter, 6092
Tribunals, candidates for federal elections serving on, 6070

Washington Conference, Canadian delegates to, 1127

Waterford, N. S., explosion at, 5775

Ways and Means, Committee of, 584, 1436, 1445, 1628, 3760, 5242, 6061
Amendment, Mr. Oliver, 1677
See Budget and Taxation

Wealth, Conscription of
Amendments to address for extension of term of Parliament, Mr. Graham, 3641, 3471, 3480
Statement by Finance Minister, 3187
See Taxation

Webb, Lieutenant, position of, 4563

Webster, Mr. John (Brockville)
Army, 122nd Battalion, 5083
Budget, 953
The dairying industry, 953
Canada's part in the war, 956
Cheese, manufacture and sale of, 2268
Packages, marking of—inspection and sale, 4068

Weichel, Mr. William G. (North Waterloo)
Military Service Bill, 2801
National Transcontinental Railway, ties, 455
War-time Elections Bill, 5832

Weights and measures, inspection of, 2383, 3842

Welland canal
Construction of, 2206, 3402, 4925
Dynamiters of, 4926

West Edmonton forest rangers and homestead inspectors, 1476

Western Canada, farm labour for, 3504

Wheat. *See* Grain

White, Rev. Ward, position of, 3903

White, Sir Thomas (Minister of Finance)
Address in reply to the Governor General's Speech, 272
Reply to statements of Sir Sam Hughes, 272
War expenditure, 274
Proposed Minister of Overseas Services, 277, 279
Appointment of General Turner, 279, 280
Purchase of motor trucks and transports, 280
Canada and the war, 282
Army
Camps, sale of liquor in, 818
Medical service, commission of inquiry into, 542
Soldiers, life insurance of, 3589
Officers, unattached, 563
Beans, duty on, 671
Bran and shorts, duty on, 1870
British Government and Canadian Pacific Railway Financial arrangement Bill, 1369, 2059
Budget, 718, 937
National income and expenditure, 718
War expenditure, 718
Income taxation, 719
Taxation of business profits, 719
War loans, 720
Trade of Canada, 721
Free wheat, 937
Amendment of Mr. Oliver, 949
Business Profits War Tax, 5290
Canadian Northern railway, acquisition of, 4011, 4217, 4247-4287, 4467, 4595-4620, 4622-4638, 4835-4873, 4960-5015, 5154
Canadian Pacific railway—Bill to facilitate financial arrangements, etc., 1369, 2059
Civil Service
Enlistments from, 2014, 2253
Promotions, 2010
Salaries, 2008, 2238
Civil Service Act amendment, 2008, 2238
Customs Tariff Act amendment, proposed, 1689
Enlistment, voluntary, 2583
Finance, Department of, estimates, 1790, 1796
Flour, price of, 1053, 1088
Fuel, 1419
Grand Trunk Pacific railway, loan to, 5292
Rails, removal of from, 5296
Hughes, Sir Sam, reply to statement of, 3110
Military Service Bill, 2582
Voluntary enlistment, 2583
Progress of the war, 2584

White, Sir T.—*Con.*
Canada's position, 2584
Our duty to the men at the front, 2585
Conscription of wealth, 2587
Referendum proposals, 2589
Income War Tax Bill
See, under this title, Taxation
Inland Revenue Department estimates, 2381, 3832
Insurance, 1724, 2100
Life insurance of soldiers, 3589
Insurance Act Amendment Bills, 3848, 4138, 5196
Loans to farmers, 1960
Loans, public, 720
$100,000,000 for Public Service, 342, 435, 4957
Amount received and commission paid, 4957
McNab, Colin C., 579
Members, deceased, tributes to, 5
Motor trucks, purchase of, 280
National Gallery of Canada, 5301
Newsprint paper, 757, 1646
Penny Bank Act, 2061
Pensions, 845
Denial of erroneous statement, 5423
Proportional representation, 908
Quebec and Saguenay railway, 1658
Railway, situation in Canada, 4011, 4058
Recruiting, retarding of, 3110
Senate, appointments to, 930
Shipbuilding, 666
Imperial Munitions Board contracts, 1661
Soldier Settlement Board, 3788
Supply, vote for three months, 2946
Tariff revision, 1689
Taxation measures; Senate amendment no precedent, 5476
Taxation
Business profits, 178, 719, 1438, 1635, 2108
Returns by business concerns, 4246
Income, 719, 1441, 1449, 1631, 3760, 3768, 4070, 4102, 4126, 4638
Wealth, 2587
Toronto Globe, correction of editorial in, 2707
Unclaimed bank balances, 1004
United Grain Growers, Limited, 894
War charities, 5434, 5481
War expenditure, 718
War finance, vote of $500,000,000, 542
War supplies for British Government, 4953, 5522
War taxation
See, under this title, Taxation

White, Sir T.—*Con.*
Wealth, conscription of, 3187
See, under this title, Taxation

Whitehead life-saving station, 1469

Williams Head quarantine station, 5312

Wilcox, Mr. Oliver J. (North Essex)
Racing meets, limitation of, 8, 313
Toronto Globe—correction of statement in, 47
Tractor engines, duty on, 676

Wilfrid C., vessel, 4062

William Davies Co., 4151
See Food Investigation

Wilson, Mr. Charles A. (Laval)
Canadian Northern railway, acquisition of, 5069
Criminal Code amendment, jurors, 4300, 4326
Military Service Bill, 2925
Contraventions of Act, 3328
Exemptions, 3303
Quebec, recruiting in, 2926
Penitentiaries, salaries of guards, 5803
Potato consignments, 607
Railway Act, The, 3444, 3447
Ships built in Canada, 591
Soldiers, voting of, 4722
Taxation, income, 4073

Wilson, Mr. Gordon C. (Wentworth)
Address in reply to the Governor General's Speech, 9
Canada and the war, 9
Tribute to deceased Member, 10
Provision for returned soldiers, 10
National service, 10
Canada's financial stability, 11
Fiftieth anniversary of Confederation, 11
Toronto, Hamilton and Buffalo railway, 2610

Windsor, N.S.
Tribune building, 1380
Wharf repairs, 1380
Windsor, Ontario, immigration officers, 2357
Windsor Junction, N.S., mail service, 5913
Wireless telegraph. *See* Telegraphs
Woman suffrage
Enfranchisement under War-time Elections Bill, 5416
Pugsley, Mr., motion and amendments by
Notice stands, 309; postponed, 672, 759
Amendment to motion of Mr. Sutherland, 1488
Ruled out by Mr. Speaker, 1490, 1508
Amendment to amendment of Sir Robert Borden, 1522

Woman suffrage—*Con.*
Sutherland, Mr., motion of, 1477, 1627
Borden, Sir Robert, amendment of, 1508
Inquiry by Mr. Pugsley, 4958

Women
Atlantic passports for, 3996, 5783
Munition workers, 4063

Wood, Lieutenant, position of, 4563

Wool, exportation of, 1130

Wright, Mr. William (Muskoka)
Grain, 5208
Wheat, fixing price of, 3694, 3703
Live stock exchanges, 5512
Public Works Department estimates, 5335
Railway Act, The, 3514

Wright, Mr. W.—*Con.*
Railway transportation for Members of Parliament, 3521
Soldier Settlement Board, 3629
Woman suffrage, 1479

Yarmouth harbour improvements, 3870

Year Book, Canada, 2337

Yukon territory, 1736
Administrator, 5122
Commissioner of, 3677
Expenditure, 592
Judges' salaries, 5896
Miners' strike, 3086
Population, 593
Prices and cost of living, 2199, 2237, 2481, 2571, 2954

Zinc. *See* Mines and minerals